FROM DEFICIT TO EQUITY

Investment solutions for today's Infrastructure needs and tomorrow's housing in Outer-Metropolitan Growth Areas

Acknowledgement of Country

We proudly acknowledge Aboriginal and Torres Strait Islander people as Australia's first peoples and as the traditional owners and custodians of the lands across Australia where we work and live. We honour the Aboriginal and Torres Strait Islander communities and their rich culture and pay respect to Elders past, present and future.

CONTENTS

Executive Summary

Recommendation 1	
Recognise outer metropolitan growth areas as regions requiring specific attention in Commonwealth funding programs across portfolios	
Reasoning	Population growth is different in growth areas than all other Australian regions
	Growth areas population in 2023 is 5,662,186, an increase of 199,553 people in one year from June 2022, of which 46,766 was due to natural increase (births less deaths). Natural increase in growth areas accounted for 46% of the total growth.
Reasoning	Greenfield development will be key to future housing – despite infill targets
	Greenfield residential development in outer suburban and peri-urban areas will be integral to meeting Government Housing Accord targets.

Recommendation 2	
Prioritise funding to fix the infrastructure deficits in growth areas	
Reasoning	Transport Congestion and Distance to work are restricting productivity
	Employed people living in growth areas LGAs travel 74% further than the average Australian worker's commute distance. 27% of employed people living in growth area LGAs travel 30km or more for work, compared to 17% for Australia as a whole.
Reasoning	Liveability in growth areas is compromised by deficits in all types of social infrastructure
	Growth Areas nationally have lower rates of access to basic social infrastructure compared to established suburbs. This includes 48% lower access to healthcare, 21% lower access to education, 44% lower access to arts & culture and 68% lower access to sports and leisure facilities.
Reasoning	Aligned with development with a specific funding stream for growth areas
	Bolstering the Housing Support Program and the Coalition’s proposed Housing Infrastructure Program and designating funding within them for Growth Areas’ greenfield development is key to delivering on the Housing Accord.
Implementation	Augment existing program and policy commitments once growth areas recognised as a distinct region
Implementation	Sequenced and collaborative with a new funding stream for growth areas
	Recognition of all Growth Areas and designated funding streams within the Housing Support Program, Thriving Suburbs and urban Precincts and Partnerships is needed to catch up with the infrastructure investment deficit.

Recommendation 3	
Resource equitably through a national infrastructure investment framework for growth areas	
Reasoning	Place-based investment is tried and tested
	Recent Commonwealth Governments have recognised the value of place-based responses to infrastructure investment.
Reasoning	Community Driven
	Councils serve as the custodians of their community's vision and aspirations. This knowledge needs to be considered by both State and Federal government and reflected in place-based policy decision making.
Implementation	National Growth Areas Infrastructure Investment Framework
	A framework guided by the pillars of: Recognise, Prioritise, Resource, Partner, Review.

About the National Growth Areas Alliance

The National Growth Areas Alliance (NGAA) is the peak body for local governments in Australia's fast-growing outer metropolitan regions. These regions represent more than 5 million residents forming the nation's newest communities. There are 29 growth area Local government areas (LGAS) across Australia's five largest capital cities of Sydney, Melbourne, Brisbane, Perth and Adelaide.

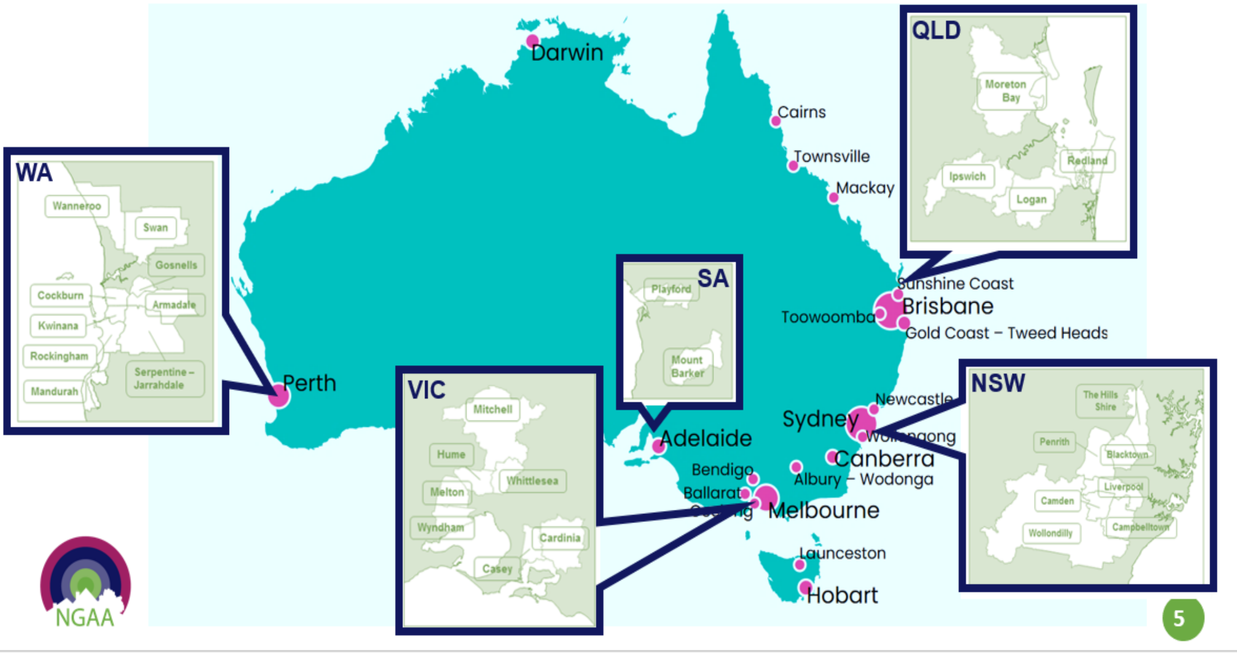
We advocate to State and Federal governments for improved policies and equitable funding for growth area councils, to create resilient, liveable and thriving places and communities.

Member councils of the NGAA are united by the shared experiences of grappling with population growth rates at double the national average, significant greenfield urban development and the challenges of long-term under-investment in vital infrastructure.

NGAA member councils, through their regular and extensive community engagement, have first-hand knowledge of the needs of their communities for:

- adequate transport infrastructure and services to minimise congestion and maximising connectivity, active transport options
- expanding economic opportunities and enlivening town centres
- access to health, education, community, cultural, sport and recreational infrastructure for health and wellbeing, and
- affordable housing and balancing rapidly-developing greenfield suburbs and need to protect natural environments.

Building on our members' deep knowledge of their communities, and academic research, we take an evidence-based approach to advocating for a national approach to policy and funding for financial sustainability for our members. Through case studies, policy discussions and information-sharing networks, we assist Alliance Councils to develop their capacity to deliver their planned growth.



The case for urgent investment in growth areas

The 29 growth local government areas are home to over 5.6 million people[1] accounting for around 21% of the Australian population. The population of growth areas has increased at a higher rate than the Australian average, growing 3.65% per annum from 2016 to 2023 compared to 2.46% per annum for Australia as a whole, in the same period.

Yet, the significance of growth areas to the function of Australia's capital cities and the national economy has tended to be overlooked. Outer metropolitan regions have been subject to Federal and State government policy blind spots during the most recent wave of large-scale population growth of the last 20 years. They do not qualify for policies and programs aimed at regional or rural Australia but at the same time do not have the same levels of access to infrastructure and services as inner and middle ring city regions. They have accommodated over 30% of Australia's recent population growth but received around 15% of Federal infrastructure funding[2].

Rapid urban development in outer metropolitan regions of Australia's capital cities over the past several decades has outpaced funding and delivery of adequate infrastructure to serve growing communities, creating an infrastructure deficit.

- In some places, greenfield development is being delivered **without enabling infrastructure** of essential utilities, such as water, sewage, and telecommunications.
- In most cases housing is being delivered **without vital social infrastructure** including libraries, sport and recreational facilities, cultural and multi-purpose centres to support communities.
- In almost all cases, large scale greenfield development is being delivered **without new or upgraded strategic transport infrastructure and services** as well as the local connecting roads, bus shelters, cycleways and footpaths.

The compounding effect of the infrastructure deficit created by poorly managed urban growth is stifling economic potential and entrenching disadvantage within communities of growth areas. Addressing this infrastrastructure deficit and providing equitable infrastructure investment in outer metropolitan growth areas will improve the liveability and sustainability of our cities, strengthen Australia's resilience and productivity and contribute to the wellbeing of the one in four Australian children growing up in these communities.

In August 2023 the Commonwealth and states and territories agreed to an ambitious target of delivering 1.2 million new well-located homes over 5 years from mid-2024. Greenfield residential development in outer metropolitan and peri-urban areas will be a substantial part of meeting Government Housing Accord targets.

There is bi-partisan recognition that expanding housing supply requires substantial investment in critical enabling infrastructure such as local roads and utilities. National Cabinet endorsed the Commonwealth providing $3.5 billion in payments to state, territory and local governments to support the delivery of new homes towards this target. Similarly, the Coalition has committed to investing $5 billion for essential enabling infrastructure[3].

However, new houses alone do not create resilient communities or liveable or thriving places.

To avoid repeating the mistakes of the past with more poorly serviced, isolated suburbs, new housing in greenfield developments in growth areas must be delivered with essential enabling, strategic and social infrastructure, while also addressing the needs of existing communities experiencing the current infrastructure deficit.

This position paper argues for the establishment of a long-term, dedicated strategic infrastructure investment framework for national growth areas that is aligned with housing delivery and greenfield

---

[1] A Australian Bureau of Statistics 2024 Regional Population 2022-23, Australia (3218.0) Population estimates and components by LGA, 2022 to 2023

[2] Australian Bureau of Statistics, Regional Population Growth 2022-23, Australia (3218.0) in Growth areas Community Profile, Compiled and presented by .id (informed decisions)

[3] Michael Sukkar MP, Joint Media Release COALITION TO BOOST HOME BUILDING ACROSS AUSTRALIA | Michael Sukkar MP, 19 October, 2024

developments and supports productivity, liveability and sustainability, community resilience and well-being in Australia's growing outer metropolitan regions.

A coherent, systematic and targeted growth areas infrastructure fund that specifically addresses the urgent needs of fast-growing outer metropolitan regions is key to supporting community wellbeing in fastest growing regions in Australia. Growth area local governments need prioritisation for investment to address the existing infrastructure deficit and to plan for and provide equitable access to economic and social opportunities for the next wave of new residents projected to come in the next decade. With the right level of investment, these areas represent high levels of economic productivity.

Creating productive, sustainable and liveable cities is recognised as a long-standing urban policy challenge that requires long term solutions, many of which may be captured by the National Urban Policy, anticipated for release in late 2024.

Growth areas are nationally significant

Growth areas are nationally significant because they represent a significant and growing proportion of Australia's population and will be home to an even greater proportion of Australia's next generation. They are where a quarter of Australia's children are growing up now. They will be the places where the new housing will be delivered and if managed well, where the next wave of greenfield developments holds the potential for achieving Australia's national economic, social and environmental goals. This section describes the key characteristics of Australia's outer metropolitan growth areas.

National Growth Areas are local government areas (LGAs) located in the **outer metropolitan** and spill over **peri-urban** regions of Australia's five largest capital cities. They are characterised by **significant greenfield (new) residential and other urban development over the past 20 years, or planned for the next 20 years,** generating annual population growth at a higher rate than Australia's national average.

Based on analysis of 2021 ABS Census of Population and Housing[4], there were 29 outer metropolitan growth LGAs across the five largest capital cities in Australia: Sydney, Melbourne, Brisbane, Perth and Adelaide. These LGAs are listed in Table 1:

TABLE 1 - LOCAL GOVERNMENT AREAS THAT ARE OUTER METROPOLITAN GROWTH AREAS OF FIVE CAPITAL CITIES

State				
New South Wales	Victoria	Queensland	Western Australia	South Australia
Greater Capital Cities				
Sydney	***Melbourne***	***Brisbane***	***Perth***	***Adelaide***
Growth areas - Local government areas				
Blacktown City Camden Council Campbelltown City Liverpool City Penrith City The Hills Shire Wollondilly Shire	Shire of Cardinia City of Casey City of Hume City of Melton Mitchell Shire City of Whittlesea City of Wyndham	City of Ipswich Logan City Moreton Bay Region Redland City	City of Armadale City of Cockburn City of Gosnells City of Kwinana City of Mandurah Shire of Serpentine-Jarrahdale City of Rockingham City of Swan City of Wanneroo	City of Playford District Council of Mount Barker

[4] .id (Informed Decisions) 2022 State of Australia's Growth Areas, "Population growth and housing supply" report for NGAA

Growth areas represent an increasing share of Australia's population

In 2021 The total population of these 29 LGAs was **5.2 million[5].** The population of Australia's outer-metropolitan growth areas grew by **683,500 residents** in the five years from 2016 to 2021, at an average rate **of 2.9% per annum**. Australia's population as a whole grew at 1.2% per annum over the same period. **In two years since, by 2023 the estimated residential population of the national growth areas has increased by almost 300,000, to 5.6 million people.**

Australia's estimated resident population is projected to grow from 26 million in 2022 to around 29.6 million by 2031[6]. **Much of Australia's projected growth, around 40% or another 1.5 million people, will be living in our growth areas within the next decade[7].**

While there are other areas in regional Australia and in inner city areas that are experiencing population growth, outer metropolitan growth areas are distinguished by the combination of the distance of their location relative their capital city centres and the nature of growth being largely in greenfield urban development where no infrastructure exists, creating unique challenges for their local governments and communities.

Location of growth areas sets them apart

The 29 growth areas local governments located in the outer regions of Australia's capital cities. They cover a total area of 20,626 square kilometre. Their centres and new suburbs are generally more than 30 kilometres (km) from the capital city central business districts (CBD). For example, the town of Angle Vale in the City of Playford in Adelaide's north, once a country town is now an outer metropolitan area 40 km from Adelaide CBD. In Perth, the major growth area of Yanchep in the City of Wanneroo is 56 km from the Perth CBD. Similarly, Brassall, on the outskirts of Ipswich in south-east Queensland is nearly 50 km away from Brisbane CBD, while new estates in Pakenham in Cardinia Shire is 65km from Melbourne CBD and Wilton in Wollondilly Shire, in Sydney's south-west, is 84 km from the Sydney CBD.

These growth areas are yet to be formally recognised as 'regions' within Australian Statistical Geography Standard (ASGS) but they are nonetheless identifiable by the combination of geographic, demographic and land-use characteristics.

The lack of a standard recognition of outer metropolitan growth areas as distinct metropolitan regions has tended to leave them in a 20,626 square kilometre policy 'blind spot'.

In Australian urban planning and policy, under the existing geographical classification, major cities are treated homogenous regions, ignoring the very real spatial differences in the distribution of population, housing, infrastructure, and accessibility to jobs, services and community facilities. This lack of recognition of growth areas as significant metropolitan regions means that the variations and inequities in the distribution of infrastructure and services within Australia's largest Greater Capital Cities have been overlooked in budget and infrastructure grant processes.

As illustrated in the Liveability Scorecards produced by the Australian Urban Observatory, the disparities in accessibility to infrastructure and services in growth areas relative to other areas in capital cities impact liveability of growth areas with consequences for the health and wellbeing for their communities.

Over the past 10 years, however, there has been some work by Commonwealth and State governments to classify different regions within metropolitan areas, but this has not been uniformly adopted or applied. In NSW the former Greater Sydney Commission described Greater Sydney as a region of six cities[8], and the Victoria state government has grouped its population projections into six metropolitan regions, but in both cases, these classifications were based on geography alone[9]. At the national level, the Bureau of Communications, Arts and Regional Research (BCARR) and the

---

[5] .id (Informed Decisions) 2022 State of Australia's Growth Areas Demographic and Socio-economic Characteristics of Growth Areas report for NGAA, October 2022.
[6] ABS (2023), *Population Projections, Australia, 2022 (base) – 2071*, released 23/11/2023
[77] .id (Informed Decisions) 2022 State of Australia's Growth Areas Population and Housing Supply report for NGAA, October 2022.
[8] NSW Government 2022, Six Cities region Discussion Paper
[9] Victoria Government 2023 Victoria in Future 2023

Bureau of Infrastructure Transport and Research Economics (BITRE) have used a 'City ring' classification that divide Australian cities into three sectors around their CBD[10].

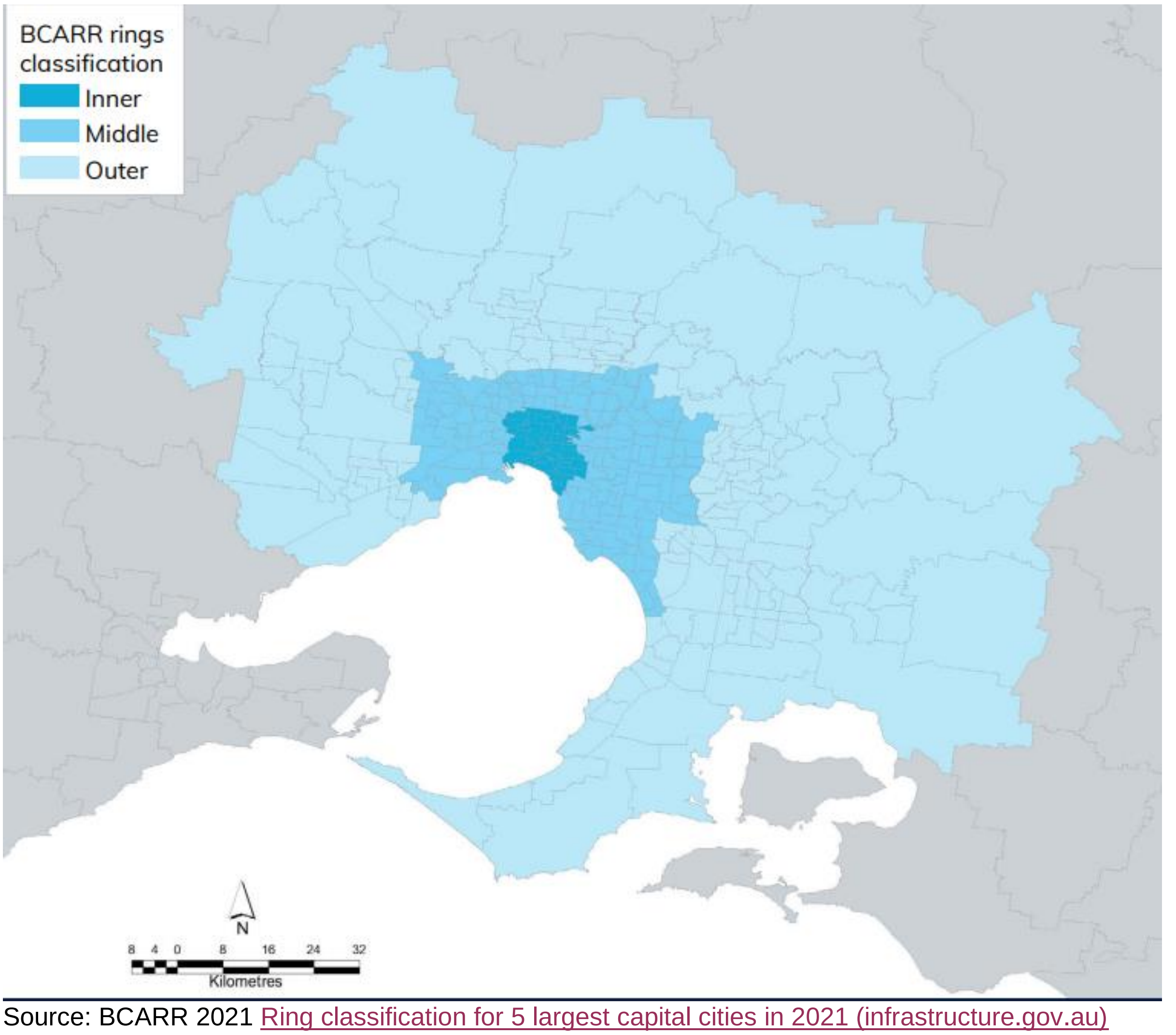
The BCARR analysis notes that due to differences between cities, ring characteristics are not uniform, but they are often associated with the following:

Inner rings: central business districts and neighbouring suburbs characterised by higher population density and high access to employment, services, infrastructure, public transport and amenity. Inner city areas also have a large daily flow of commuters from middle-ring and outer-urban suburbs.

Middle rings: exhibit lower density than inner city areas but often have high density precincts around public transport hubs. Access to employment, services, infrastructure, public transport and amenity is often more limited than in inner city areas. Many people from outer-urban suburbs commute to middle ring suburbs or transit through them to inner city areas for work and to access services.

Outer rings: are the outermost areas of a city, typically including both established urban suburbs, newly developing greenfield suburbs and surrounding rural areas. They are often characterised by less access to infrastructure, public transport and services, and high dependency on other regions for jobs. Historically in Australia we have seen the urban edge of the city expand further out from the centre.

FIGURE 1 BCARR CITY RING CLASSIFICATION FOR MELBOURNE, 2021



Source: BCARR 2021 [Ring classification for 5 largest capital cities in 2021 (infrastructure.gov.au)]

These classifications are helpful for identifying differences that distinguish growth areas in the outer rings from other areas within capital cities. For example, considering population growth, over the last decade, population growth rates in the five capital cities have been highest in outer rings. Melbourne's outer ring had the highest growth rate at 2.6% per annum, highlighting greenfield

[10] BCARR 2021 Ring classification for 5 largest capital cities in 2021 (infrastructure.gov.au) BCARR 2022 City Ring classification Ring classification for 5 largest capital cities in 2021 (infrastructure.gov.au)

development on the urban fringe. There was one exception to this trend seen in Brisbane's inner ring, with a growth rate of 2.4% per annum, higher than its outer ring. This points to progress being made with infill developments in Brisbane over the last decade. Total population growth was highest in outer rings for all five cities[11].

The pace of population growth and urban development in outer rings is not matched, however, by monitoring and review of the BCARR and BITRE classifications, nor alignment with ABS classifications, impacting eligibility for funding programs and diluting the impact of spatial differences.

It is important to note, however, that local governments need to be clearly identified in any analysis of growth areas or metropolitan regions, as they are the governing authorities which have the most direct connection and responsibility to the communities that live there.

Growth areas are distinct from other regions in metropolitan areas and from regional cities

Although different from each other in many ways, our growth areas share some common demographic characteristics that set them apart from other metropolitan, regional and rural areas of Australia. In comparison, to the Australian average, and their capital city counterparts, the resident populations of growth areas are typically younger and more diverse. Around 29% of the population of growth areas speak a language other than English at home. Growth areas have a higher proportion of Aboriginal and Torres Strait Islander residents than their greater capital city average. Growth areas also have a higher proportion of larger households, families with children, single parent families and households living in detached housing, with a mortgage and on relatively lower incomes compared to the Australian average.

Growth areas support Australia's economy and the productivity of our cities

Our growth areas play a major role in supporting the Australian economy. In 2020-21 our growth areas generated $247 billion in gross regional product and supported an estimated 1.8 million jobs. This represents 12.2% of Australia's GDP and 13.7% in terms of local jobs[12]. In 2023 there were 257,322 businesses in located in growth areas which represents 10% of Australia's businesses[13].

Our growth areas have strong specialisations in industrial sectors that support Australia's economy, including manufacturing, construction, transport, warehousing and wholesale trade, as well as in education and health services. Compared to the Australian average, our growth areas have a greater proportion of workers employed in construction (10.4% compared to 8.9%), manufacturing (7.7% compared to 5.9%) and in transport, postal and warehousing (6.7% compared to 4.5%). The macroeconomic outlook for these sectors at the national level is positive and they are expected to be important drivers of local jobs and economic growth[14].

With 2.21 million resident workers, our growth areas represent 18.7% of Australia's workforce. However, in 2021, there were around 810,000 fewer jobs in growth areas than employed residents. This jobs 'deficit', the difference between jobs and working residents, has grown by almost 200,000 jobs over the last ten years. There is a significant untapped potential for Australia's productivity by investing in the economic development of growth areas.

The City of Cockburn, south of Perth, boasts five of Western Australis most successful commercial and industrial hubs and the largest marine industry in Australia and the largest aviation training bases[19]. The City of Playford, north of Adelaide, covers the Northern Adelaide Plains, one of Australia's most significant horticultural regions – producing 215,000 tonnes of fresh produce generating over $355 million in farm gate value each year[20].

Growth areas in Melbourne's north, west and south, cover three of Victoria's State Significant Industrial Precincts that make up approximately 26,400 hectares of zoned industrial land across metropolitan Melbourne. Western and Northern SSIPs have the largest availability of vacant industrial land, accounting for 43% of zoned vacant industrial land (2788.7 hectares) and almost

---

[11] BCARR 2021 City Ring classification Ring classification for 5 largest capital cities in 2021 (infrastructure.gov.au)
[12] id informed decisions, (2023), *Economic State of Australia's Growth Areas,* https://ngaa.org.au/research-library

[13] ABS (Australian Bureau of Statistics) (2023), *Businesses by Local Government Area by Industry Division by Annualised Employment Size Ranges, June 2023*, cat. no. 8165.0, Counts of Australian Businesses, including Entries and Exits, June 2019 to June 2023, released December 2023.

[14] .id informed decisions, (2023), *Economic State of Australia's Growth Areas,* https://ngaa.org.au/research-library

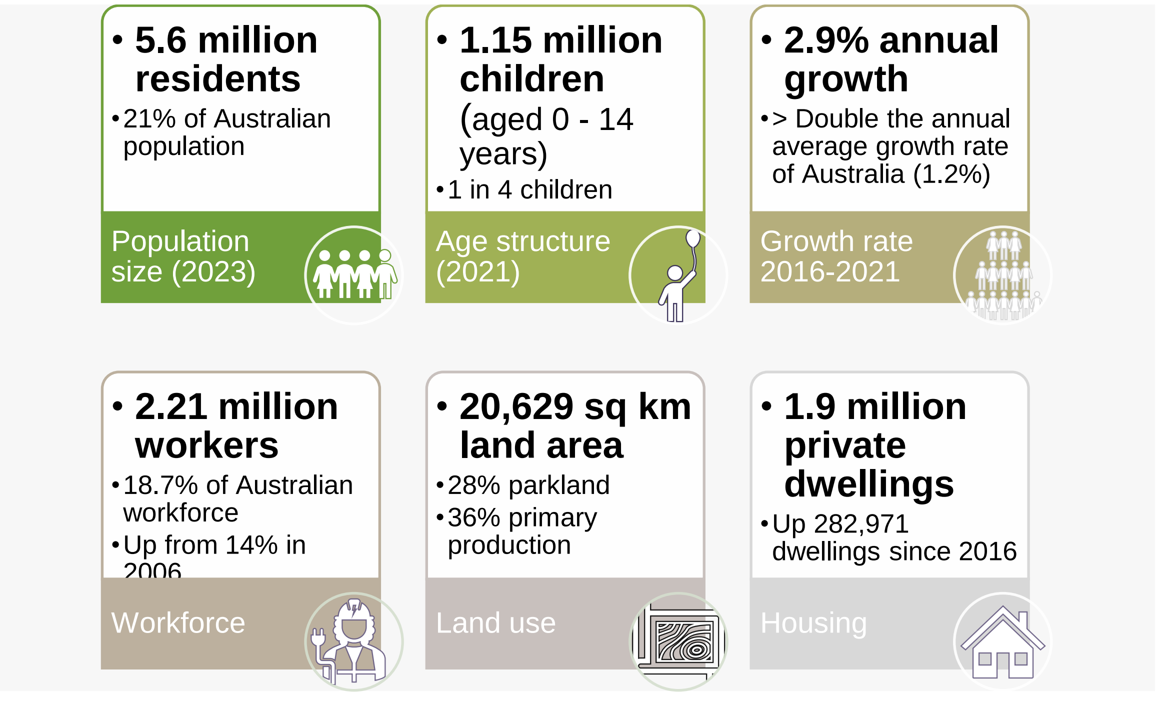
50% of future, unzoned industrial land (3427.5 hectares) in Melbourne in 2018[21]. The City of Melton, in Melbourne's west, is one of the leading areas of industrial growth and investment in Victoria. Currently the jobs to workers ratio in Melton is very low 0.36, compared to the average of 0.6 for Victorian growth areas overall. Investment in the employment precincts could deliver 100,000 jobs and contribute $19 billion to the Victorian economy[22].

An equally significant economic region surrounds the development of the Western Sydney International (WSI) Airport, which is expected to increase value-add in the Australian economy by $5.8 billion per year by 2063. This will only be a reality if surrounding industrial precincts in growth areas of Penrith City[23] and Liverpool City have ongoing commitment to investment in the utilities, communications and road and rail infrastructure required to unlock the potential of these nationally significant employment lands.

Major infrastructure projects add significant value to the regional and national economy. The WSI, has injected over $500 million in the Western Sydney region including through contracts to 250 Western Sydney businesses, including small and medium enterprises, as well as family and First Nations businesses and supported over 7,255 jobs during construction. However, the future and ongoing economic benefits and wider social benefits will require continued commitment to delivering the strategic transport infrastructure and services to and safely efficiently connect the future workforce of growth areas to fill the jobs created in Australia's newest industrial regions.

In Western Sydney, for example, projects such as establishing rapid bus network and the extending the metro rail[24] to link centres in the burgeoning growth areas of Camden, Campbelltown, and Wollondilly[25] need to be prioritised. Similarly, in the City of Melton, the growing suburbs along the Melton rail line are serviced by diesel trains from the overcrowded regional Ballarat services. Over the next 30 years 183,500 people will move into the railway line corridor, and six new suburbs that are directly aligned to the rail line will bring 65,900 new dwellings. Electrification and separation of the Melton to Sunshine Line would see a Present Value of Benefits of $910 million over 30 years.[26] These strategic transport infrastructure investments require significant national investment coupled with state government commitments and local planning support to deliver them.

FIGURE 2 KEY CHARACTERISTICS OF AUSTRALIA'S OUTER CAPITAL CITY GROWTH AREAS



Source: .id Community Profile

Growth areas are the mainstay of Australia's housing supply and sustainable development

The geographical distribution of Australia's population is changing in response to post-COVID pandemic socioeconomic factors, overseas migration and revised government policy settings. There are pockets of rapid growth in inner city areas reflecting changing preferences for housing (smaller households), and for higher density, inner city living. There has also been growth in areas outside of Australia's greater capital cities reflecting both economic and social trends, including the high cost of housing in capital cities, as well as post-COVID life-style choices and remote working options, which enable people to move to regional areas.

However, our growth areas councils and their communities are experiencing rapid urban development and population growth at a rate and scale that exceeds these other areas. Australia's growth areas are Australia's fastest growing areas, with population growth of 2.9 percent per annum in the five years from 2016 to 2021 compared to an average rate of 1.2 percent for the rest of Australia. There are multiple drivers of housing demand that will contribute to above average rates of growth in outer suburban growth areas for the foreseeable future such as relative affordability, preferences for larger homes, and the aspirations of recent migrants to purchase a home.

Australia's estimated resident population is projected to grow from 26 million in 2022 to around 29.6 million by 2031[15]. More than two thirds of that increase, another 1.5 million people, are projected to be living in our growth areas by 2031. While the National Cabinet Housing Accord seeks to locate new housing in established areas as a priority, settlement patterns from the previous decades strongly suggest that demand for new housing will continue in growth areas. This means that our growth areas will remain a mainstay for Australia's housing supply, and population settlement. How well this growth and development is managed will determine the sustainability of Australia's cities and the quality of life of their communities for generations to come.

Recommendation 1: Recognise outer metropolitan growth areas as regions requiring specific attention in Commonwealth funding programs across portfolios

Reasoning: Population growth is different in growth areas than all other Australian regions

The Centre for Population produces population projections to inform policy makers and the public about Australia's future growth. The federal Treasury's Budget relies on these population projections to inform its funding allocation decisions.

The Centre's most recent population statement in 2023 reported that:

- Australia's estimated resident population is expected to grow from 26.0 million in 2022 to 30.9 million by 2034.
- Annual population growth is forecast to increase from 1.3 per cent in 2021–22 to 2.4 per cent in 2022–23 and 1.9 per cent in 2023–24.
- Fertility rates have been slowly declining over the past 60 years and this trend is expected to continue.

The population story is quite different for Growth areas. In Perth, birth rates for 2023 were higher than the previous year in all but one growth area (Wanneroo) and births in growth areas accounted for 55% of all births in Greater Perth. Brisbane's growth areas represent a similar proportion of births with 54% of babies born in 2023 in Greater Brisbane being in growth areas.

Estimated Residential Population (ERP) for Growth areas in 2023 is 5,662,186 residents. This is an increase of 199,553 people in one year from June 2022 to June 2023, of which 46,766 was due to natural increase (births less deaths). Natural increase in growth areas accounted for 46% of the total growth attributed to natural increase across the five states. Natural increase in growth areas in Victoria accounted for 60% of total natural increase for the state of Victoria.

State government's produce population projection at the local government level. Analysis of state-based population projections at LGA level shows that in 2031 Growth areas will be 6,831,872

[15] ABS (2023), *Population Projections, Australia, 2022 (base) – 2071*, released 23/11/2023, https://www.abs.gov.au/statistics/people/population/population-projections-australia/2022-base-2071#data-downloads

residents. That means there will be another 1,546,351 people living in Growth areas within the next decade. In 2031 in Western Australia, population in Growth Areas in Perth will account for 44% of the State's total population.

Reasoning: Greenfield development will be key to future housing – despite infill targets

Australia's dwelling stock was 10,879,349 dwellings, as at 30 June 2022. Despite the economic impacts of the COVID-19 pandemic and slower housing completion rates since, the number of dwellings has grown by more than a million homes (1,055,872 dwellings) since 2016. The vast majority of new housing has been delivered in growth areas.[16]

In August 2023 the Commonwealth and states and territories agreed to a target of 1.2 million new well-located homes over 5 years from mid-2024. National Cabinet also endorsed the Commonwealth providing $3.5 billion in payments to state, territory and local governments to support the delivery of new homes towards this target. Greenfield residential development in outer suburban and peri-urban areas will be integral to meeting Government Housing Accord targets.

To meet this target the New South Wales (NSW) has identified 5-year housing targets. The seven growth areas in Greater Sydney have been identified for 25% or 96,000 of these new dwellings over the next five years.

The Victoria government has been more specific about its targets for housing in greenfield sites in growth areas with the release of 27 new greenfield areas – committing to providing the space and completing the planning work to deliver 180,000 new homes over a decade.

In South Australia, the Greater Adelaide Regional Plan identifies an additional 11,200 ha of suitable undeveloped, greenfield land spread across Greater Adelaide's four major growth spines. The seven new growth areas can accommodate approximately 96,000 additional houses over the next 30 years.

The Shaping South-East Queensland Regional Plan identifies opportunities for 232,000 new homes in four growth area LGAs of Logan, Ipswich, Moreton Bay and Redland.

And the Perth at 2050 strategy identifies 214,000 non-infill homes to be built over the next 30 years.

Recommendation 2: Prioritise funding to fix the infrastructure deficits in growth areas

Research in 2022, on the challenges and benefits of infrastructure funding for growth areas identified that a core problem for growth areas over the past decade has been inconsistent funding availability leading to a lag in the delivery of essential infrastructure and services to support population growth[17]. Feedback from NGAA members councils underscore the lack of funding programs that tackle the problems that rapid urban development create. These infrastructure deficits disadvantage new communities in growth areas, impact their liveability and sustainability and curb their potential contribution to national productivity.

---

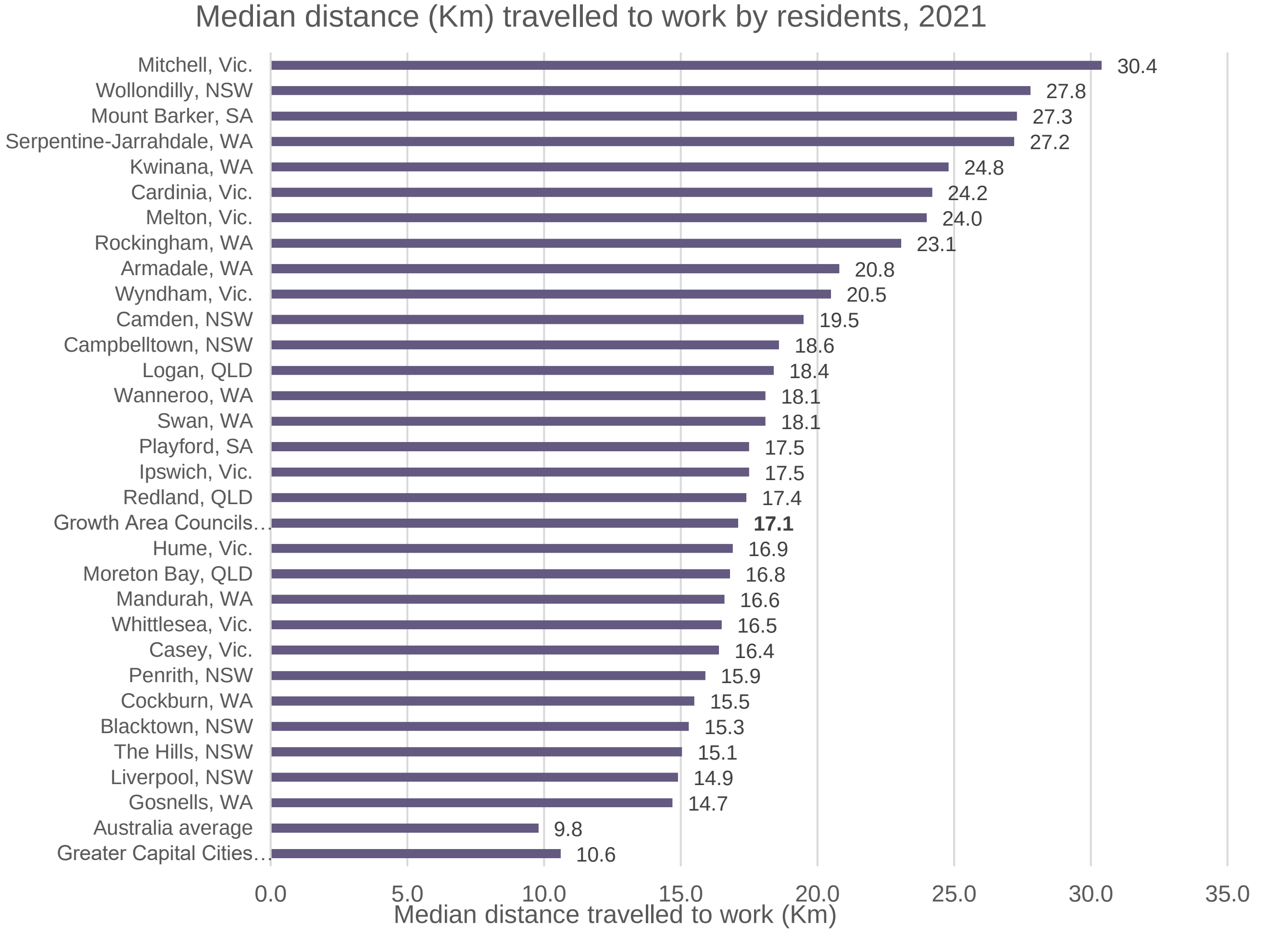
[16] ABS 2022 Estimated dwelling stock, Jun Quarter 2022, Table 1. Estimated dwelling stock, Statistical Areas Level 2 (ASGS2021), Australia, https://www.abs.gov.au/articles/dwelling-stock-growth-areas

[17] Kroen A, Dodson J, Butt A. (2022) The Benefits and Challenges of Australian Government Investment in Infrastructure in Outer Suburban Growth Areas. RMIT Centre for Urban Research and National Growth Areas Alliance, Melbourne.

Reasoning: Transport Congestion and Distance to work are restricting productivity

Measures of traffic congestion for 2023 in capital cities[18], based on data from freight vehicles on major routes, show that congestion levels have returned towards pre-pandemic (2019) levels.[19].

- In 2021, the average distance travelled to work for employed residents living in growth area LGAs across Australia was 17.1 Km.
- This average distance is a longer commute to work than the Australian average (9.8 Km) or the average distance travelled by employed residents living in Australia's Greater Capital Cities (10.6%).
- On average, employed residents living in Mitchell Shire travelled the furthest to get to work—30.4 km. On the other hand, Gosnells in WA had the lowest median travel distance (14.7 km).
- **Employed people living in growth areas LGAs travel 74% further than the average Australian worker's commute distance.**
- **27% of employed people living in growth area LGAs travel 30km or more for work, compared to 17% for Australia as a whole.**
- Since 2016, the median distance travelled to work for employed residents living in growth area LGAs has increased **by 5%,** from 16.3 km to 17.1 km.



---

18) Bureau of Infrastructure and Transport Research Economics (BITRE) 2024, Freight vehicle congestion in Australian capital cities – 2023, BITRE, Canberra, https://www.bitre.gov.au/sites/default/files/documents/BITRE-Freight-Vehicle-Congestion-Report-2023.pdf

19 Based on data collected annually by the Commonwealth government's Bureau of Infrastructure and Transport Research Economics (BITRE) across 71 selected routes across Australia's five mainland state capital cities—Sydney, Melbourne, Brisbane, Adelaide and Perth—and in Hobart for calendar year 2023. This is the second year, since the initial report in 2019, where none of Australia's capital cities experienced major lockdowns due to the COVID-19 pandemic.

Source: ABS 2021 Census of Population and Housing, data compiled and presented by .id (informed decisions)

Reasoning: Liveability in growth areas is compromised by deficits in all types of social infrastructure

Social infrastructure refers to community and individual support services and resources such as health, education, early childhood, community support, community development, culture, sport and recreation, parks and emergency services. The provision of well-planned social infrastructure supports the liveability of communities by promoting walking and community social interaction. Similarly, it is associated with people's improved physical and mental health and their increased satisfaction with the area in which they live.

The NGAA has partnered with the Australian Urban Observatory to undertake an analysis of liveability and produce a City Liveability Scorecard for National Growth Areas to investigate city-wide variations in liveability. A liveable place is defined as somewhere that is: safe, attractive, inclusive, and environmentally sustainable; with affordable and diverse types of housing, public open space, local shops, health and community services, leisure and cultural opportunities; with opportunities for employment and education all accessible by convenient public transport, walking and cycling[20] . These factors of liveability are linked to are linked to urban, transport and infrastructure planning policy and are related to individual health and community wellbeing.

Looking across the data for all five capital cities, the scorecards show that Growth areas fall behind on all liveability scores across all four sub-domains of social infrastructure.

- The highest degree **of difference** between growth area regions compared to non-growth areas was **in access** to **community and sporting facilities**, and access to **culture and leisure facilities**
- **Walkability is notably lower** in growth areas in each region compared to non-growth areas. Walkable areas have services to walk to, connected streets and population density.
- **Access to public transport** is notably lower in growth areas across the five cities, with 39% of dwellings in growth areas located within 400 metres of public transport stops with regular 30-minute services between 7am and 7pm on weekdays, compared to 62% of residential dwellings in non-growth areas being near regular public transport services.
- The distribution of **access to public open space** is the **most evenly spread** feature of liveability between regions within capital cities than for other indicators of liveability and is slightly better in growth areas than other areas in capital cities, with 40% of dwellings in growth areas located within 400m of public open space of at least 1.5 hectares compared to 38% of dwellings in non-growth areas.
- **Housing stress is highly variable** across all city regions but, is higher in outer growth areas, which traditionally have been more affordable locations, compared to the average for the capital cities as a whole. Across the five capital cities15.3% of low-income households in outer metropolitan growth areas are spending more than a third of their income on housing costs compared to 13.7% low-income households in housing stress in non-growth areas in the five capital cities.

Implementation: Augment existing program and policy commitments once growth areas recognised as a distinct region

Fixing the infrastructure deficit in recently established growth areas and strengthening their capacity to accommodation significant new growth in surrounding greenfield areas, requires urgent attention to the deficit in transport and social infrastructure.

Recognition of all Growth Areas and designated funding sterams within the Housing Support Program, Thriving Suburbs and urban Precincts and Partnerships is needed to catch up with the infrastructure investment deficit.

[20] Lowe, M., Whitzman, C., Badland, H., Davern, M., Hes, D., Aye, L., Butterworth, I. and Giles-Corti, B. (2013), Liveable, healthy, sustainable: What are the key indicators for Melbourne neighbourhoods? Research Paper 1, Place, Health and Liveability Research Program, University of Melbourne

NGAA Member Councils have provided illustrative projects that would increase amenity, productivity and liveability in their areas yet are outside the financial remit and resources of local government.

Implementation: Sequenced and collaborative with a new funding stream for growth areas

The Urban Precincts Program

The Australian Government's $150 million urban Precincts and Partnerships Program (uPPP) funds transformative urban development for 118 metropolitan councils, focusing on unifying spaces, economic growth, and community service.

A designated funding stream for Growth Areas within this existing program would contribute to catch up on the infrastructure investment deficit.

Thriving suburbs

The Thriving Suburbs Program is a $350 million, three-year Australian Government initiative designed to improve urban, suburban, and peri-urban communities. It funds projects that enhance liveability, social cohesion, and accessibility by constructing or upgrading community infrastructure. Eligible projects must align with local priorities, promote sustainable growth, and benefit diverse community groups. Funding ranges from $500,000 to $15 million, with co-funding requirements based on applicant type.

Special emphasis is given to "low rate-based councils" including some growth areas:

- New South Wales: Blacktown, Campbelltown, Wollondilly
- Victoria: Cardinia, Melton, Whittlesea
- Western Australia: Serpentine-Jarrahdale
- South Australia: Playford

These councils are prioritized for funding due to their significant population growth and limited financial capacity, receiving up to 70% funding for eligible projects like community hubs, sports facilities, and libraries. Projects like housing or health infrastructure remain ineligible under the program.

Reasoning: Aligned with development with a specific funding stream for growth areas

Housing enabling infrastructure program and proposed program

Bolstering the Housing Support Program and the Coalition's proposed Housing Infrastructure Program and designating funding within them for Growth Areas' greenfield development is key to delivering on the Housing Accord.

The Australian Government's Housing Support Program, part of its $32 billion *Homes for Australia* plan, aims to build 1.2 million homes over five years. Stream 1 awarded funding to 80 projects, focusing on housing master planning and development. This includes support for local councils and state projects, such as precinct planning and studies. Stream 2, offering $450 million for enabling infrastructure like roads and parks, opened for applications on 5 July 2024. The government emphasizes rapid infrastructure and housing delivery to address national housing needs and enhance liveability

The Coalition plans to address Australia's housing crisis through a $5 billion Housing Infrastructure Programme (HIP), unlocking up to 500,000 homes by funding critical enabling infrastructure like roads, water, and sewerage for shovel-ready projects. Funding will be conditional on progress within 12 months. To curb rising costs, the Coalition will freeze changes to the National Construction Code (NCC) for 10 years and review recent NCC updates, which stakeholders say added $60,000 to home prices. Additional measures include reducing migration, banning foreign investors from buying existing homes, and addressing union practices to lower building costs by up to 30%.

Recommendation 3 – Resource equitably through a national infrastructure investment framework for growth areas

This position paper argues for the establishment of a dedicated strategic infrastructure framework and supporting fund for national growth areas that supports community building and aligns with housing delivery and greenfield development in Australia's cities.

The Commonwealth Government has a long history of infrastructure funding to support housing and urban development despite not having a constitutional mandate for city or regional planning[21]. In recent years increased funding for various types of infrastructure has been made available through different federal grant schemes and cross-government arrangements. However, in general Commonwealth funding has tended to be sporadic, time limited, fragmented and rarely targeted specifically to local governments in growth areas.

A coherent, systematic and targeted growth areas infrastructure fund that specifically addresses the urgent needs of fast-growing outer suburbs is key to supporting the fastest growing suburbs in Australia. The infrastructure fund is required **to rectify the chronic lag of infrastructure and services in growth areas** which is a common problem across Australian cities and is recognised as a long-standing urban policy challenge. **The infrastructure fund must be aligned with settlement forecasting so that infrastructure is delivered alongside new housing** in preferred settlement locations to meet demand.

The funding program must include **clearly defined national minimum standards for infrastructure (including community infrastructure)** and standardised national assessment practices established by agreement with state and territory infrastructure bodies. Funding for social infrastructure should be allocated based on projected population and housing growth, and catchment size, and aligned with the current approach to funding for health and education services. The sequencing of investment and delivery of infrastructure must be aligned with global best-practice.

This fund would deliver benefits across multiple spatial scales, from the local community, local government, metropolitan, state and national levels, and across portfolios such as transport, welfare, health, community, education, sports, and economic development.[22]

The model has draws on a rapid review of international best-practice in infrastructure funding[23] that highlighted programs designed to address similar challenges of funding urban infrastructure to achieve social environmental and economic policy goals. These best-practice models included the United Kingdom's Local Economic Partnership program, the Netherlands' Infrastructure and Spatial Planning Fund program, the German Federal Ministry of Digital and Transport Program, the United States' Community Development Block Grant program and Tax Increment Finance initiative, and Canada's Investing in Canada Plan.

These programs demonstrate a commitment to long-term infrastructure needs through multi-year funding frameworks that ensure stability and consistent investment across political cycles. They prioritise projects that address the complex challenges of outer metropolitan growth areas, emphasising sustainability and collaboration among various stakeholders. By aligning funding with community-defined needs, these programs incorporate robust evaluation processes that continually assess and improve outcomes, ensuring that investments are impactful and responsive to local contexts.

[21] Spiller M, (2024) Funding urban infrastructure: what role for the Commonwealth Government? Chapter 14, in Freestone R, Randolph B, Steele W (eds) (2024), *Australian Urban Policy Prospects and Pathways*. ANU Press, Canberra, pp 269-283.

[22] Kroen A, Dodson J, Butt A (2022) *The Benefits and Challenges of Australian Government Investment in Infrastructure in Outer Suburban Growth Areas.* RMIT Centre for Urban Research and National Growth Areas Alliance, Melbourne.

[23] Morrison N, Gatarin G, and Strickling M (2024) *International Best Practices in Infrastructure Funding: Lessons for Australia's Outer Metropolitan Growth Areas*, Urban Transformations Research Centre, Western Sydney University. https://doi.org/10.26183/tmc6-gg23

Our proposed National Growth Areas Infrastructure Investment Framework

RECOGNISE

Rationale

Equitable investment in strategic and social infrastructure in outer metropolitan growth regions will benefit Australia's future resilience, productivity and sustainability and the wellbeing of one in five Australians.

Purpose

The Framework is a new approach to nationally coordinated investment in Australia's fastest growing metropolitan regions – valuing local voices and priorities, being informed by and building the evidence, operating with flexibility, integrity and transparency, and coordinating across governments to make investments work better for these nationally significant regions. It provides an integrated and coordinated framework for investing in strategic and social infrastructure that enables delivery of housing and urban growth that creates resilient, liveable and thriving communities and sustainable development.

Guiding Principles – as *applied across all Australian Government investments in all regions*

√ Realising aspirations of local communities in outer metropolitan growth areas and Australia's national commitments to United Nations Sustainable Development Goals requires specific regional investment across all portfolios.
√ Australia's growth regions and their economies are diverse, with each having unique strengths and challenges.
√ Delivering on the potential of growth regions requires building on each region's unique strengths, including helping regions undergoing significant economic change to transition or adapt to specific structural challenges.
√ Place-based decision making that draws on the experience of local government alongside state government agencies and regional bodies must guide investment in our outer metropolitan growth regions.

PRIOITISE

Priority Focus Areas – *our investments in regions will have key objectives across all Australian Government portfolios*

√ Closing the Gap by meeting the needs of, and providing opportunities for, First Nations people.
√ Supporting the transformation to a net zero economy and decarbonisation.
√ Achieving gender equality, providing universal accessibility and inclusion and celebrating our diversity.

RESOURCE

Investing in Strategic Transport Connections	**Investing in Housing and Liveable Communities**	**Investing in Vibrant Precincts and Centres**	**Investing in Local Industries and Regional Economies**
Scaled and staged investment in strategic transport infrastructure.	*Targeted and place-based investment that enables greenfield housing delivery in greenfield and supports communities to thrive.*	*Investment in centres and precincts with a focus on improving quality and accessibility.*	*Ensuring regional industries and economies are positioned for productivity and sustainable growth.*
√ Strategic Roads and Rail Investment to help activate economic and industry growth. √ Local connections supporting active and public transport connections.	√ Supporting adaptive, accessible, sustainable and liveable regions. √ Delivering local and social infrastructure where and when it is needed.	√ Enhancing connectivity, accessibility and equity of services. √ Investment including across communications, health, water, and transport.	√ Supporting the conditions needed for industries to diversify and grow. √ Targeted investment in skills, education, training and local leadership capacity.

PARTNER

Implementation

The Framework guides the Government's approach to design and delivery of regional initiatives. It will influence decision making in Budget processes, drive meaningful collaboration across and between governments, embed data and evidence to support better outcomes, and ensure local voices are heard and influence responses.

Informed Investment	**Coordination and Collaboration**	**Insights and Intelligence**
• The Commonwealth's Budget and Mid-Year Economic and Fiscal Outlook processes will ensure the Framework is influencing Government decision making.	• The Commonwealth will work in genuine partnerships with local and state and territory governments through refreshed, regular forums - supporting joined-up outcomes.	• Local insights, data and intelligence will be central to decision making, drawing on a broad range of groups and networks, such as local government and Regional Development Australia committees.

REVIEW

Evaluation

Program review	**Monitoring outcomes**	**Reporting**
•Yearly report on program delivery and outcomes included in Budget papers •Analysed by region, investment priorities and projects •Five-year review of the program.	• Transparent reporting of project progress including costs, delivery timeframes and outcomes used to inform benefit cost analysis for future projects.	• Local insights, data and intelligence will contribute to evidence-based decision making and delivery of regular State of the Cities and Regions reports.

Reasoning: Place-based investment is tried and tested

Recent Commonwealth Governments have recognised the value of place-based responses to infrastructure investment including:

Northern Australia Infrastructure Facility

The Northern Australia Infrastructure Facility (NAIF), established in 2016, supports the 2015 *Our North, Our Future* White Paper objectives by financing economic infrastructure development in Northern Australia. Under the NAIF Act, it grants funds to states, territories, and entities for projects like transport, communications, and those enhancing trade, defence, and emissions reduction goals. As of 31 July 2024, NAIF's 32 projects, spanning critical minerals, energy, social infrastructure, and airport and health facilities, have attracted $4.4 billion in commitments, driving over $33 billion in economic impact and creating 18,000 jobs. The pre-investment pipeline shows $3.1 billion in potential future loans.

Regional Investment Framework

The Australian Government's Regional Investment Framework emphasizes a collaborative approach to regional development, placing regions and their residents at the center of decision-making. It guides targeted, responsible investments to help regions thrive, enhancing local services, industries, and economies. Starting in 2023-24, $600 million over four years will fund the Growing Regions Program, providing $500,000 to $15 million for infrastructure projects to boost liveability and social cohesion in regional areas. Additionally, the $400 million Precincts and Partnerships Program (rPPP) supports transformative projects through partnerships between governments and communities, fostering unified precincts that stimulate economic growth and align with local needs and visions.

Reasoning: Driven by community need and expectation

As the level of government closest to the people, Councils serve as the custodians of their community's vision and aspirations. They regularly engage with their communities in transparent, consultative, and deliberative ways. This knowledge needs to be considered by both State and Federal government and reflected in place-based policy decision making.

To develop community plans, around 50,000 community members were engaged through varied methods such as surveys, workshops, forums, and digital platforms like Ipswich's "Shape Your Ipswich" and Logan's "Have Your Say." This inclusive approach captured diverse voices and shaped strategic priorities.

Key community priorities identified included economic growth and local job creation, highlighted by councils such as Wyndham and Logan, alongside calls for enhanced infrastructure and transport networks. Environmental sustainability, emphasizing natural area preservation and climate resilience, was important, notably in Redland and Moreton Bay. Community safety, affordable housing, and sustainable urban development were pressing concerns in fast-growing regions like Hume and Mitchell.

Health and well-being, including healthcare access and mental health support, featured prominently, as did education and youth programs, emphasized in Casey and Ipswich. Cultural development, inclusivity, and local arts were priorities for Mount Barker and Camden, while green spaces and recreational facilities were essential for councils like Gosnells and Cockburn. Transparent governance and effective community engagement, with clear feedback mechanisms, were also stressed.

For more information contact
Bronwen Clark
Chief Executive Officer
National Growth Areas Alliance
www.ngaa.org.au