



Pre- Budget Submission 2024-2025

Creating resilient, liveable, thriving  
communities

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## About the National Growth Areas Alliance

The National Growth Areas Alliance (NGAA) is the peak body for local governments in Australia's outer metropolitan growth areas. We advocate to state and federal governments regarding growth area challenges and opportunities.

The Alliance represents more than five million people living in Australia's fast-growing suburbs, united by the shared experiences of population growth rates at double the national average and long-term under-investment in vital infrastructure.

We take an evidence-based approach, with a Policy Platform built on the foundations of our comprehensive research strategy and the Alliance Councils' deep knowledge of their communities. We also help to develop Alliance Councils' capacity to deliver good growth through best practice case studies, policy discussions and comprehensive networks.

### Outer suburban growth area experts

The NGAA has more than a decade of evidence-based advocacy and a strong history of collaborating and building partnerships across government and with the private sector. We are highly regarded for our policy expertise and insights into the challenges facing growth areas. Our extensive growth area networks enable us to bridge the divide between urban research and urban reality in the outer suburbs.

### Partnerships and collaborations

The NGAA holds a partnership arrangement with the Australian Research Council Centre of Excellence for Children and Families over the Life Course (the Life Course Centre) and we commission research and collaborate with universities and research institutes around Australia. We also work with Queensland-based Suburban Futures and engage with many other advocacy and professional bodies in the sector such as the Planning Institute of Australia and state and federal infrastructure bodies.

### NGAA Member Councils

#### NSW

- [Blacktown City Council](#)
- [Camden Council](#)
- [Campbelltown City Council](#)
- [Penrith City Council](#)
- [Wollondilly Shire Council](#)

#### Victoria

- [City of Casey](#)
- [Cardinia Shire Council](#)
- [Mitchell Shire Council](#)
- [Wyndham City Council](#)
- [City of Melton](#)
- [Hume City Council](#)
- [City of Whittlesea](#)

#### Western Australia

- [City of Wanneroo](#)
- [City of Swan](#)
- [City of Cockburn](#)
- [City of Kwinana](#)
- [City of Armadale](#)
- [City of Gosnells](#)
- [Shire of Serpentine Jarrahdale](#)

#### South Australia

- [Mount Barker District Council](#)
- [City of Playford](#)

## Priorities for the 2024-25 Federal Budget

### Introduction

Australia's growth areas will play a crucial role in responding to the national housing shortage and achieving the state and territory housing supply targets – a total of 240,000 new dwellings annually over five years - set as part of the National Housing Accord. Australia's growth areas comprise almost all of Australia's greenfield development opportunities for new communities, and have the capacity to deliver the majority of the new housing targets set out in National Housing Accord.

Local government knowledge of the unique attributes and challenges of Australia's growth areas will be vital to delivering the commitments set out in the National Housing Accord, in addition to the reforms outlined in the National Cabinet Housing Plan. Growth area councils are seeking a genuine collaboration between all levels of government to deliver a cohesive approach to planning, funding, and delivering housing and infrastructure to new communities.

Whilst we commend the Federal Government renewed interest in urban policy in general, and housing supply in particular, we remind decision-makers that new houses in isolation will not solve the current housing crisis. **New housing must be delivered in conjunction with access to employment opportunities, education opportunities, services, and amenities.** All of this is facilitated by the provision of adequate infrastructure, including transport infrastructure, institutional infrastructure, and social infrastructure both within new communities, and linking new communities to established urban areas.

The recommendations outlined in this Pre-Budget Submission all relate to actions that will support the delivery of new housing and the creation of resilient, liveable and thriving communities. These recommendations are relevant to the following Federal Government Departments and Authorities, and forums convened by the Federal Government:

- Department of Infrastructure, Transport, Regional Development, Communications, and the Arts;
- Housing Australia;
- Infrastructure Australia;
- Department of Home Affairs;
- Department of Social Services;
- Planning Ministers Forum; and
- the Council of Australian Governments.

### Vision for Australia's Growth Areas

NGAA members have a shared vision of creating communities that are resilient, liveable, and thriving. This vision requires a comprehensive national approach, with all levels of government working together to address the distribution of people, jobs, houses, and infrastructure around the country. Essential to this is national policy leadership to support all stakeholders to reimagine the future of outer suburban development. Policy leadership must be supported by long-term funding commitments for urban-standard infrastructure, and better federal and state services in growth area suburbs.

At the core of this vision is resilience – social, environmental, and economic – which are intimately linked and foundational to creating liveable, thriving communities. Building overall resilience for growth area communities is crucial to enabling these communities to positively respond to 'shocks' such as climate change and the resulting extreme weather events, or changing economic conditions and the rising cost of living.

The designated growth areas of Australia's capital cities are vital to enabling these cities to accommodate the projected population growth over the coming years and play an important role in meeting the wider economic and housing needs of these cities. However a significant re-visioning of how the growth areas are planned and developed is required to realise their full potential. This is consistent with the re-visioning of many central business districts (CBDs) that are at an inflection point in the aftermath of the Covid pandemic, especially in cities that experienced lengthy lockdowns.

In this context, Australia's growth areas should be planned as the future secondary business districts to complement the primary central business district of each state and territory capital (the ACT is the exception). Rather than growth areas being viewed and developed as dormitory, low-density suburbs housing workers who commute into the CBD, growth areas should be developed as predominantly self-contained urban centres supporting a 20-minute neighbourhoods.

These self-contained urban centres must be developed around multi-modal transport hubs that provide efficient transport connections within and between municipalities. Where heavy rail is not an option, recent research demonstrates rapid bus networks can provide a viable alternative. The transit hubs provide the anchor for higher value commercial and retail development, as well as higher density residential development, including apartments and townhouses, scaling to lower density further from the transport hub.

It is worth highlighting that many of the areas that are currently considered appropriate locations for higher density infill development in established areas were once low-density suburbs on the fringe of major cities (i.e. Box Hill in Victoria, Burwood in New South Wales).

## Significance of Australia's Growth Areas

Australia's growth areas comprise substantial untapped potential. More than 5.3 million Australians live in growth area LGAs across Australia, representing 20.6 percent of Australia's population. The population of Australia's growth areas increased at an average rate of 2.9 percent per annum in the five year period from 2016 to 2021. In comparison, Australia's population as a whole grew at 1.2 percent annually in the same period.<sup>1</sup>

Residents in Australia's growth areas are younger, and are more likely to live in family households than all of Australia. Compared to the rest of Australia, households in growth areas are larger and more likely to live in stand-alone dwellings than medium density or high-density dwellings. Australia's growth areas are culturally diverse, but the cultural composition of the population is different to that of Australia overall.

The national economic contribution of Australia's growth areas is significant. The growth areas account for over 12.2 percent of GDP despite only making up around 5.5 percent of Australia's 545 Local Government Areas (LGA). Its contribution to employment is also increasing. In 2021, 13.7 percent of jobs were in the growth areas, yet this was below 10 percent in 2006.<sup>2</sup>

Australia's growth areas have strong specialisations in industrial sectors, such as manufacturing, transport, warehousing and wholesale trade. 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.<sup>3</sup> In conjunction with this, there are substantial growth opportunities in professional and business sectors in line with the macroeconomic shift towards a knowledge and skill-based economy.

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<sup>1</sup> .id informed decisions (2023) *Economic State of Australia's Growth Areas*

<sup>2</sup> .id informed decisions (2023) *Economic State of Australia's Growth Areas*

<sup>3</sup> .id informed decisions (2023) *Economic State of Australia's Growth Areas*

**This can be facilitated in growth areas by enhancing access to higher education**, consequently cultivating a more proficient and skilled workforce.<sup>4</sup>

**There is also a critical need to increase employment opportunities within growth areas to meet the needs of the growing population.** In 2021, there were around 810,000 less jobs than employed residents in growth areas across Australia. This suggests growth areas are not generating enough jobs to support the residence base, or neighbouring municipalities provide better employment opportunities. This jobs 'deficit', the difference between jobs and residents, has grown by almost 200,000 jobs over the last ten years and **represents significant untapped potential.**

## NGAA Federal Budget Recommendations

- Recommendation 1: Improve coordination between all levels of government
- Recommendation 2: Implement national settlement forecasting to inform housing targets
- Recommendation 3: Establish a national growth areas infrastructure fund aligned with housing delivery
- Recommendation 4: Develop a National Housing Strategy
- Recommendation 5: Support Resilient Communities

### Recommendation 1: Improve coordination between all levels of government

It is essential to **improve the coordination of policies, regulation, and funding between all levels of government** to resolve the current disconnect between the responsibilities of the Federal, State and Local Governments. This disconnect is directly impacting the delivery and quality of new communities, and can be resolved by all levels of government working together in genuine collaboration to deliver a cohesive approach to planning, funding, and delivering housing and infrastructure to new communities.

For example, the Federal Government is responsible for setting migration and taxation levels, which have a direct impact on the housing, infrastructure requirements, and funding for local communities, yet the Federal Government has no responsibility for the outcomes. Conversely, the State and Local Governments are responsible for delivering urban centres and services for local communities, but do not have control of the key decisions that impact on them.

To resolve this, the NGAA recommends mandating coordination between all levels of government to effectively deliver the ambitious new housing targets outlined in the National Housing Accord and the National Cabinet Housing Plan. In this context, all levels of government must be aligned on the following policy areas:

- Settlement forecasting;
- Location and timing of the delivery of new housing; and
- The funding and delivery of the infrastructure required to support resilient communities.

Further details about each of these policy areas are discussed below.

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<sup>4</sup> . id informed decisions (2023) *Economic State of Australia's Growth Areas*

### **Better coordination and transparent process for infrastructure pipeline**

NGAA welcomed the release of the 2023 Infrastructure Pipeline Review, despite the removal of a number of key projects within growth area LGAs. We saw the review as an opportunity to:

- improve the transparency of the infrastructure funding approval process;
- clearly delineate the range of infrastructure types and projects that are the responsibility of the Federal Government (from a Federal rather than State/Territory perspective); and
- provide certainty to NGAA Members on the viability or otherwise of infrastructure projects that had been announced in their municipalities.

Better coordination must be a priority going forward, including:

- requiring the incorporation of local government strategic priorities by State Governments seeking Federal infrastructure funding or inclusion on Infrastructure Australia's priority list;
- requiring the expertise of state infrastructure advisory bodies be included in recommendations put forward by Infrastructure Australia; and
- requiring a cross-portfolio planning process to ensure Government priorities are aligned and deliver holistic outcomes. For example, as part of the roll out of the Housing Australia Future Fund, there should be a requirement for reporting agencies and Departments to outline any collaboration to deliver the affordable housing, infrastructure, education, health and social support services for future residents.

## **Recommendation 2: Implement national settlement forecasting to inform housing targets**

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.

We acknowledge that the National Cabinet Housing Plan seeks to locate new housing in established areas as a priority, however **settlement patterns from the previous decade strongly suggest that demand for new housing will continue in growth areas, and this should be considered when setting housing targets.**

Deliberate national settlement forecasting requires a review of recent settlement patterns to determine who is moving to the growth areas around Australia and where they are coming from. This should include a review of new migrants to Australia to identify the preferred locations for settlement in Australia for migrants from different countries of origin. It should also include a review of interstate migration patterns to better understand broader population movements nationally.

This data provides the basis for future projections of where migrants are likely to settle based on their countries of origin, and the likely population growth in the settlement areas based on the total migrant intake and composition in any given year. It also shows national population movements to better understand the drivers for internal movements such as employment opportunities or lifestyle choices.

This data should be used to inform the new housing targets for each state and territory as part of the National Housing Accord. In our view, **this is crucial to enable appropriate forward planning for new**

**housing in the preferred settlement locations to meet future demand, and the corresponding funding required to deliver the associated infrastructure.** This information can also be used to better understand the future community to enable the planning and delivery of culturally appropriate health, education and community services.

#### **A new City in Melbourne's north**

The Cloverton Major Activity Centre (MAC) straddles the borders of the growth area municipalities of Hume, Mitchell, and Whittlesea in Melbourne's north. The three councils have joined together to form a pioneering Regional Partnership for the development of Cloverton MAC which will become the new northern capital, housing approximately 10,000 residents within its city centre and about 380,000 residents throughout its expansive catchment area. It has been designed to provide essential services and amenities required to support resilient, thriving communities.

This includes an estimated 7,500 jobs created within the MAC, which will generate an additional 50,000 jobs within the rapidly growing adjacent suburbs of Mickleham, Kalkallo, Donnybrook, Beveridge, and Wallan. The proposed Beveridge Intermodal Freight Terminal (BIFT) is located in close proximity to the Cloverton MAC and will generate a further 10,000 jobs, however the development of the BIFT relies on commitments from the State and Federal Governments to contribute to the funding of the project. Associated with the BIFT is the upgrade of a range of road and transport networks, including the Outer Metro Ring Road, which will increase accessibility for all users of the network.

As part of this holistic approach, the Regional Partnership commissioned a comprehensive needs assessment of regional social infrastructure. Its purpose is to anticipate the increasing demand for community, civic, social and recreational facilities within the region to be accommodated within the MAC. For example, settlement patterns over the past decade show that there is a high number of migrants from south Asia choosing to settle in the northern growth corridor, and we know they require a range of culturally appropriate services that can be planned for.

The scale of the Cloverton MAC requires unique development methods and approaches, and collaboration between local, state, and federal government will be vital to successfully realising the full transformative potential.

### **Recommendation 3: Establish a national growth areas infrastructure fund aligned with housing delivery**

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. Looking forward, **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.<sup>5</sup>

This fund should also **comprise a financing facility for growth area councils to enable them to fund essential infrastructure when developer contributions are insufficient.** There is often a time lag between the need for essential infrastructure and all the associated developer infrastructure contributions being provided to growth areas councils. In these cases, a financing facility for growth area councils would enable the infrastructure to be delivered in a timely manner, and allow it to be repaid as the developer contributions are provided.

#### **One million more people in Western Sydney by 2040**

Western Sydney's population will continue to grow at exponential rates over coming decades, aided by the NSW Government's release of land for housing in the west and south-west of the outer metropolitan regions. In addition, the 2026 opening of the Western Sydney International Airport will increase commuter and commercial travel in the area.

While major public transport projects are welcome (Metro Western Sydney Airport), large gaps in services remain, forcing residents to travel by car to work, study or services. Local and regional public transport must be funded and delivered as the population grows to ensure equitable access to services and employment opportunities across the greater metropolitan area.

However, the pace of housing growth is too fast for not only transport projects, but also for utilities providers - water, sewage, telecommunications – resulting in whole suburbs being built before essential services are available.

Local Governments are then left with the responsibility but not the resources to deliver community infrastructure and services the rest of greater metropolitan populations enjoy – libraries, sports fields, cultural and performance facilities, community centres, youth services, maternal and child health services and much more.

**This situation is replicated across NGAA Member Councils nationally – from those who are just beginning to experience rapid population growth and greenfield development, through to those whose municipal populations are reaching the size of capital cities.**

A fund – such as a revised version of the off-Budget Housing Infrastructure Facility delivered through Housing Australia but which proved inaccessible for local government – would fill the space left by developer contribution and State Government shortfalls.

#### Recommendation 4: Develop a National Housing Strategy

The NGAA welcomes the Federal Government's focus on improving the overall supply of housing, including affordable and social housing; indeed, this is a priority project of some NGAA Member councils. Access to appropriate affordable and diverse housing is a basic human need. Beyond this,

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<sup>5</sup> RMIT University Centre for Urban Research (2022) [The Benefits and Challenges of Australian Government Investment in Infrastructure in Outer Suburban Growth Areas](#)

affordable housing is critical social infrastructure that has direct social and economic outcomes in terms of wellness, liveability, economic participation and productivity, and Australia’s international competitiveness.

Whilst Federal support for new housing, including affordable and social housing as part of the Housing Australia Future Fund, is a welcome step in the right direction, it will further increase the need for infrastructure and service provision in growth areas. **The new housing delivered as part of the National Housing Accord must be aligned with funding for, and the timely delivery of, infrastructure, especially in Australia’s growth areas.**

Indeed, we consider that the Federal Government should build on the National Housing Accord and develop a National Housing Strategy informed by, and aligned with, the proposed overall national settlement forecasting. A National Housing Strategy would sit alongside the National Housing and Homelessness Plan and provide the overarching strategic direction for the location, density, and diversity of new housing across Australia.

This will ensure housing is prioritised and directed to locations where there is the highest forecast population growth, and it is aligned with appropriate infrastructure funding and delivery.

#### **Arterial Roads – the missed connection**

The lag between the construction of housing and the completion of upgrades to arterial roads to cope with increased usage is a major issue across all of Australia’s growth areas.

In Adelaide’s north the City of Playford (2022 population growth 2.84 percent with SEIFA Disadvantage index of 852.4 in 2021) expansive new housing developments are being built without appropriate arterial roads.

With over 25,000 housing lots due to be developed in Munno Para and Riverlea, Curtis Road is the single lane arterial road that connects both suburbs to the municipal and commercial centre of the City. It is already in dire need of duplication, but is both beyond the remit and budget for Local Government to fix.

A National Housing Strategy should identify in a genuinely strategic way the location of major housing developments and the minimum standards required for road, public and active transport to residents to access employment, education and health services.

The current situation on Curtis Road, where travelling a few kilometres can take up to an hour, will be much worse if new housing is delivered in a strategic vacuum. Similarly, completion of Thompsons Road in outer south-east Melbourne will open up expansive employment lands to the nearly half a million people living in the region. However, no single level of Government can deliver this project, and no single level of Government is both willing and able to lead the process.

Significant infrastructure investment deficits are a common feature across Australia’s growth corridors – and a solution has not been found over the last fifty years. From the housing booms of the 1980s through to the current Housing Accord targets, a solution for the efficient planning, funding and delivery the broad range of infrastructure communities need to thrive has not been found.

An holistic Housing Strategy, which should identify lead agencies and guarantee such enabling infrastructure is delivered alongside housing, is one solution worthy of consideration.

## Recommendation 5: Support Resilient Communities

People need more than just a house. They need reasonable access to employment, education, public and private transport infrastructure, health and other services, and amenities. It's the combination of all these that support social, environmental, and economic resilience, which are foundational to creating liveable, thriving communities.

In the context of the national housing crisis, the focus of national and state level policy is on delivering new housing, including affordable housing, as quickly as possible. However, affordable housing alone is not sufficient to create resilient communities and support affordable 'living'.

National policy leadership is required to shift the focus from delivering affordable housing to supporting affordable living. This must be supported by long-term funding commitments to deliver the infrastructure and services required to support affordable living and create communities that are resilient, liveable, and thriving.

Creating resilient communities requires a comprehensive national approach, with all levels of government working together to address the distribution of people, jobs, houses, essential services and infrastructure around Australia.

In addition to the recommendations already outlined in this submission, further specific actions that support resilient communities include:

- Expanding the scope of the disaster recovery services and support so they allow for unforeseen adverse impacts of extreme events and other as yet unknown disasters.
- Requiring new housing to meet global best-practice thermal and energy efficiency standards and outline a clear pathway to delivering new housing that is aligned with the Federal Government's greenhouse gas emissions commitments.
- Designing for resilient built form to mitigate extreme heat, flooding, and bushfires

### **Disaster response and recovery on Perth's outskirts**

Perth's growth corridors continue to expand into coastal, agricultural and bushland, resulting in a confronting proximity to natural disasters – bushfires, heatwave, flooding, impacts of coastal erosion – for rapidly growing populations.

The myriad of outcomes of this situation are: increasing insurance premiums for property owners which create additional pressure on households most likely already under mortgage stress; new residents unprepared for disaster response, putting lives and property at risk; and a severe redirection of limited Local Government resources to disaster response and recovery.

This situation is replicated across Australia's growth corridors – in both new and recently built communities.

Building resilience in growth area communities must start before planning approvals are granted and construction begins. It is imperative that new communities are built in areas where disaster mitigation has been considered, where egress in an emergency is guaranteed (this is sadly not guaranteed in many floodplains and bushfire prone areas), and where disaster preparedness, response and recovery is built into Local Government funding arrangements and State and Federal policies.

Appendix: National Growth Areas Alliance Member Councils- Map

