



## Speech by Professor Nicky Morrison, Professor of Planning, Director, Urban Transformations Research Centre, Western Sydney University at Parliament House, Canberra with NGAA delegation, 21st November 2024

To read the full report, click here:

https://ngaa.org.au/application/third\_party/ckfinder/userfiles/files/International%20Best%20P ractices%20in%20Infrastructure%20Funding%20Lessons%20for%20Australia%E2%80%99 s%20Outer%20Metropolitan%20Growth%20Areas.pdf

Good morning and thank you for the opportunity to launch our latest report, commissioned by the National Growth Areas Alliance. I am the Director of the Urban Transformations Research Centre, Western Sydney University's largest strategic research initiative, focused on ensuring that our communities and infrastructure are equitable, sustainable, and resilient, particularly in Western Sydney. There are many representatives from the region with us today.

Western Sydney is Australia's third-largest economy, yet it faces significant infrastructure deficits that hinder its ability to support rapid population growth, economic development, and equitable access to services. Bronwen Clark, the CEO of National Growth Area Alliance (NGAA), highlighted the challenges faced by all outer metropolitan growth areas. These regions, home to some of the fastest-growing communities in the country, are grappling with major deficits in infrastructure and services. We strongly support NGAA's call to recognise outer metropolitan growth areas as regions requiring specific attention in Commonwealth funding programs, especially as greenfield residential development plays a key role in meeting the Government's Housing Accord targets.

The challenges faced by our growth councils are well-documented, and the data paints a compelling story. But data alone cannot drive change—we need bold, proactive reforms. As the Hon. Darren Chester, Shadow Minister for Regional Development, Local Government and Territories, just noted, we need good ideas that won't die. Meanwhile, as the Hon. Kristy McBain, Minister for Regional Development, Local Government, and Territories, spoke of the rhetoric, it is now time to transform these words into actionable solutions. Our report addresses the systemic funding and governance issues driving these deficits and offers evidence-based solutions. Drawing on international examples from the UK, the Netherlands, Germany, the US, and Canada, we demonstrate how integrated, place-based infrastructure funding models can be adapted to Australia's context. These models offer a clear path forward, balancing population growth, housing demand, environmental sustainability, and community resilience in our outer metropolitan areas.

Australia's current infrastructure funding system is widely recognised as fragmented, inconsistent, and poorly coordinated, driven more by short-term political cycles than by a long-term strategy. The Government's independent review of the National Partnership Agreement on Land Transport Infrastructure Projects, published last year, highlighted the stop-start nature of funding and the lack of a sustained investment horizon. This ad hoc approach leads to inefficiencies and service gaps. For example, while new roads are funded as nationally

significant infrastructure (a federal responsibility), complementary investments—such as public transport, local roads, or community facilities—are often overlooked, resulting in disconnected initiatives that fail to address broader regional needs.

The over-reliance on competitive grant funding further exacerbates these issues by prioritizing projects based on competition rather than equitable or strategic need. This leaves outer metropolitan growth areas with inadequate infrastructure, as they often lack the resources to compete with more established urban centres. These growth areas face congested roads, limited access to healthcare and education, and reduced liveability. We fully support NGAA's recommendation to prioritise funding that addresses infrastructure deficits in these underserved regions.

Our report identifies five key lessons drawn from international best practice in infrastructure funding and governance models, providing a foundation for creating sustainable, thriving communities in our outer metropolitan regions.

**First, long-term, stable funding frameworks** are a cornerstone of effective infrastructure delivery. Countries like Canada and the US offer multi-year funding programs—such as Canada's Investing in Canada Plan, which allocates over AU\$200 billion over 12 years, and the US's Community Development Block Grant program, which has supported communities for decades. These frameworks provide certainty, allowing local governments to plan and deliver projects aligned with long-term community growth strategies, rather than being vulnerable to shifts in political priorities.

Australia's reliance on four- to five-year budget cycles, and even with the Government's proposed 10-year infrastructure plans, falls short of providing the long-term stability essential for sustained growth. What is required is a bipartisan commitment to multi-decade funding frameworks that ensure a stable and predictable investment pipeline. This will allow outer metropolitan growth councils to plan proactively, aligning infrastructure with projected population growth rather than reacting to delays.

**Second, sustainability must be a core driver of investment**. Sustainability isn't an afterthought; it's the cornerstone of a future-ready infrastructure strategy. In the five countries we studied, environmental and social sustainability are integrated alongside economic development as a fundamental aspect of infrastructure planning. For example, the Netherlands' Infrastructure and Spatial Planning Fund prioritises ecological balance, Canada's national funding framework places a strong emphasis on green infrastructure, and Germany's federal programs give equal weight to green and social infrastructure. By embedding sustainability into their funding criteria, these nations effectively address climate risks, reduce long-term costs, and foster healthier, more resilient communities.

In contrast, Australia is lagging behind with its inconsistent approach to sustainable infrastructure planning and delivery. While the Federal Government has started factoring greenhouse gas emissions into project evaluations, it continues to overlook critical issues like biodiversity and long-term climate resilience. We must embed these principles at every stage of planning and delivering our infrastructure—not just as a goal, but as a necessity to meet climate commitments and protect community wellbeing. These challenges are particularly pressing for outer metropolitan growth areas, where rapid development and limited resources make sustainable infrastructure delivery even more crucial.

**Third, genuine collaboration across government levels and sectors is essential** to successful infrastructure delivery. Countries like Germany and the Netherlands have been praised for fostering integrated approaches that ensure alignment across federal, state, and local governments, as well as across sectors. Public-private partnerships, such as the UK's Local Enterprise Partnerships, also demonstrate the power of collaboration in driving local economic development.

In Australia, it is well-recognised that siloed thinking and misaligned priorities between government levels are major barriers to progress. Both sides of government, as noted by the Hon. Darren Chester and the Hon. Kristy McBain in their speeches just now, acknowledged the need to work more closely with local governments. Local councils, though deeply connected to their communities, often lack the authority and resources to act. State governance structures frequently leave them powerless to implement critical infrastructure plans. Addressing these challenges requires legislative reforms and stronger leadership from the Commonwealth.

While the National Urban Policy is a step in the right direction, rather than simply providing guidelines, the Commonwealth must take a more assertive proactive role in ensuring accountability and driving a unified, coordinated approach. A national framework for collaboration will empower councils, align projects with national objectives, and resolve the existing fragmentation. As NGAA has recommended, the Commonwealth should adopt a national infrastructure investment framework to address the significant deficits currently impacting our growth areas.

Fourth, infrastructure programs globally prioritise place-based, community-driven approaches, empowering local governments to address unique needs with flexible, targeted funding. The five countries studied all recognise placemaking as essential, tailoring investments to local challenges such as population growth and housing demands. This emphasis on place-based infrastructure planning and delivery is directly aligned with the NGAA's recommendation for a national infrastructure investment framework that ensures equitable resourcing of growth areas. Such a framework would provide the necessary mechanism to address existing deficits and promote equity for all Australians.

Placemaking enhances connectivity and quality of life, especially in fast-growing urban areas. While the current Australian government has included social infrastructure—such as schools, hospitals, and community centres—into its National Urban Policy, there remains no consistent national framework for valuing and delivering it.

A place-based approach is vital, addressing both social and physical infrastructure needs from the outset. Without integrating both, communities face delays in essential services, diminishing liveability. This is especially problematic in outer metropolitan growth areas, where residents often move into newly built housing estates well before critical services like community and healthcare facilities, and public transport are in place. These delays impose unnecessary hardship on residents and hinder the growth of resilient, sustainable, and liveable, communities.

**Fifth, robust evaluation and accountability are crucial**. The five countries we studied invest in infrastructure and rigorously evaluate their projects. They regularly assess outcomes, measure impacts, and, importantly, hold stakeholders accountable. Canada's Investing in Canada Plan and the Netherlands' Infrastructure and Spatial Planning Fund use strong frameworks to ensure efficiency. Germany's program sets benchmarks for sustainability, economic impact, and inclusivity, with longitudinal studies to track the sustainability and impact of transport projects over time.

Australia must adopt a similar system. The government recognised the need for postcompletion reviews in the 2022 Independent Review of Infrastructure Australia, but it has been acknowledged that these reviews are not consistently done across the jurisdictions nor are they published.

A nationally consistent approach to evaluation is needed to ensure projects meet their goals, operate efficiently, and, crucially, foster community trust. Evaluation should not be seen as just a bureaucratic process but as a strategic tool for continuous improvement.

**Finally, a call to action:** Adopting international best practices is not about copying solutions but tailoring proven strategies to Australia's unique needs. This requires legislative reform, bipartisan commitment, and a willingness to rethink entrenched processes. Business as usual is not good enough. By prioritising long-term funding stability beyond political cycles, sustainability, true collaboration across the levels of government, and place-based, community-driven approaches, we can build resilient, thriving outer metropolitan regions that drive economic growth of our nation, improve quality of life of our communities, and promote environmental stewardship.

Now is a critical moment for both major parties to unite and empower local councils to plan and deliver the infrastructure needed to unlock the potential of our outer metropolitan areas. This will help create a more equitable, sustainable, and prosperous future for our communities.

Thank you.

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