

**Rural & Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2013

**Infrastructure and Transport**

**Question no.:** 121

**Program:** N/A

**Division/Agency:** (P&R) Policy and Research

**Topic:** Commonwealth group on cities

**Proof Hansard Page/s:** 129 (29/05/2013)

**Senator Ludlam asked:**

**Senator LUDLAM:** Mr Mrdak, could you provide for us a list of the attendants of that group—those who sit at that table?

**Mr Mrdak:** Certainly.

**Answer:**

The Commonwealth Group on Cities (CGOC) is chaired by the Secretary of the Department of Infrastructure and Transport, and CGOC's membership currently includes the following departments:

- Prime Minister and Cabinet;
- Treasury;
- Families, Housing, Community Services and Indigenous Affairs;
- Finance and Deregulation;
- Education, Employment and Workplace Relations;
- Broadband, Communications and the Digital Economy;
- Health and Ageing;
- Sustainability, Environment, Water, Population & Communities;
- Regional Australia, Local Government, Arts and Sport;
- Industry, Innovation, Climate Change, Science, Research and Tertiary Education;
- Immigration and Citizenship;
- Defence; and
- Human Services.

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**Infrastructure and Transport**

**Question no.:** 122

**Program:** n/a

**Division/Agency:** (P&R) Policy and Research

**Topic:** *State of Australian cities report*

**Proof Hansard Page/s:** 132 (29/05/2013)

**Senator Ludlam asked:**

**Senator LUDLAM:** It might be something that you could point us to in the *State of Australian cities* report if it is not at the table. All of these capital cities have strategic plans that set out infill targets, and from Perth it was reduced it in *Directions 2031* to 47 per cent from 60 per cent. All capital cities have those. Is there no high level understanding of how we are tracking?

**Mr Williamson:** We will try to give you a comprehensive answer on notice, but certainly the series of cities reports that the bureau has produced over the last couple of years deals with those issues, because that is assessing progress against strategic plans in four of the major cities. Dr Dolman, do you have anything to add?

**Dr Dolman:** Yes, that is correct. Those studies have looked at population growth. Employment growth and commuting patterns is within their title but they cover a broader assessment of the planning goals in each of the cities and the outcomes compared to the goals in those plans. We have done studies that have been published for Perth, Melbourne, Sydney, and South-East Queensland, and we are now preparing our comparative report that covers all four of those and looks at how well the different cities have achieved their goals. Part of the assessment, as you have requested, looks at infill against the infill targets in each of the cities. Essentially it finds that those cities that are growing fastest are struggling to meet those targets whereas some of the cities that are growing more slowly, particularly Sydney, have maybe even overachieved against their targets. They have greater infill than their target suggested.

**Senator LUDLAM:** That makes sense. If you want to provide us with anything on notice that would bear that out with some data that would be helpful.

**Dr Dolman:** Yes.

**Answer:**

The strategic metropolitan plans for Sydney, Melbourne, Perth and South East Queensland (SEQ) each contain quantitative targets relating to the proportion of new dwellings that will be accommodated through infill development within existing urban areas, as opposed to through greenfield development. The infill targets differ across cities in terms of the underlying concepts, definitions and timeframes. Table 1 summarises the quantitative targets, showing that Sydney's infill target of 'at least 70 per cent' is considerably higher than the infill targets of the other three cities (which range between 47 and 53 per cent).

The state governments typically have their own reporting systems which are used to monitor progress towards their infill/greenfields targets. Table 1 summarises the evidence available from these state government reporting systems.

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**Table I Observed changes since 2001 with respect to urban infill targets, based on state government reporting systems**

| City                  | Target*                                                                                                                                                                                                      | Evidence                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sydney                | Contain the urban footprint by locating at least 70 per cent of new homes to 2036 in existing suburbs and up to 30 per cent in greenfield areas ( <i>Metropolitan Plan for Sydney 2036</i> , pp. 7, 44, 114) | According to <i>Metropolitan Development Program</i> data, 81 per cent of Sydney's dwelling completions occurred within the existing urban area between July 2001 and June 2011, with only 19 per cent relating to greenfield developments.                                                                                                                             |
| Melbourne             | The Growth Areas will accommodate 47 per cent of new dwellings over the next 20 years, with the remaining 53 per cent in established areas ( <i>Melbourne @ 5 million</i> , pp. 3, 18).                      | According to <i>Residential Land Bulletin</i> data, 39 per cent of Melbourne's dwelling approvals occurred in the designated Growth Area municipalities between July 2001 and June 2011, with the remaining 61 per cent occurring in established municipalities.                                                                                                        |
| South East Queensland | Accommodate at least 50 per cent of new dwellings to 2031 through infill and redevelopment of existing urban areas ( <i>SEQ Regional Plan 2009–2031</i> , pp. 90–91).                                        | According to the <i>SEQ Growth Management Program</i> and OESR reporting, 69 per cent of SEQ dwelling approvals between July 2006 and June 2011 occurred within the Existing Urban Area boundary and were classed as infill.                                                                                                                                            |
| Perth and Peel        | Achieve a more compact city by accommodating 47 per cent of new dwellings to 2031 through infill development ( <i>Directions 2031 and beyond</i> , p.27).                                                    | The <i>Urban Growth Monitor 2012</i> reports that the historical 20-year average rate of infill development for Perth and Peel is 32 per cent. As of December 2010, 36 per cent of lots with conditional approval for residential subdivision were in the urbanised area (i.e. infill), with 64 per cent in greenfield areas ( <i>WAPC Urban Growth Monitor 2011</i> ). |

Note: \* The target is drawn from the most recent *final* strategic plan for each city. Several of the cities are currently in the process of drafting new strategic plans.

Source: BITRE analysis of NSW *Metropolitan Development Program*, Victorian DPCD *Residential Land Bulletin*, SEQ *Growth Management Program Annual Report 2010*, OESR *Residential infill development profile SEQ* and WAPC *Urban Growth Monitor*.

BITRE's series of reports on population growth, jobs growth and commuting flows (Reports 119, 125, 132 and 134) contain some further analysis of how Sydney, Melbourne, Perth and SEQ are tracking with respect to the targeted split between infill and greenfield development. For the 2001 to 2011 period, BITRE assesses that only 19 per cent of Sydney's new dwellings were in greenfield areas, compared to 30–40 per cent for SEQ, roughly 39 per cent for Melbourne, and 60–70 per cent for Perth.

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**Question no.:** 123

**Program:** n/a

**Division/Agency:** (P&R) Policy and Research

**Topic:** Measuring potential housing yield

**Proof Hansard Page/s:** 132 (29/05/2013)

**Senator Ludlam asked:**

**Senator LUDLAM:** Finally, on the same subject, have you done any work on measuring potential housing yield along existing or future transit corridors? For example Rob Adams's work in Melbourne, or the work that we have undertaken with the Property Council in Perth in a document called *Transforming Perth* that measured how much infill you could get if you went up to medium density along transit corridors identified by the state government. Is anything systematic across all Australian cities being done by anybody present at the table?

**Dr Dolman:** Most of the city plans have transit oriented development and centred both population and jobs goals, and we have assessed whether or not those have been achieved. I am not sure if that goes towards answering your question.

**Senator LUDLAM:** Not really. Can I maybe just commend those two studies to you, which is a bit cheeky since one of them was mine, and come back on notice with whether anything systematically is being done along those lines in other Australian cities by the department?

**Answer:**

The Department has not undertaken any specific work on measuring potential housing yield along existing or future transit corridors in Australian cities. The Department is familiar with the Melbourne-focused *Transforming Australian Cities* study, and has consulted the document in the course of its work.

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**Question no.:** 124

**Program:** N/A

**Division/Agency:** (P&R) Policy and Research

**Topic:** SA government proposal/MCU plan

**Proof Hansard Page/s:** 133 (29/05/2013)

**Senator Edwards asked:**

**Senator EDWARDS:** I have your national urban policy here, and for the benefit of Hansard it is a piece of paper which is an extract from your policy, and it states your goals and your objectives, which outline productivity, sustainability, liveability and governance, yet you have not seen a proposal by the South Australian state government for 38,000 new homes.

**Mr Mrdak:** That is correct. I do not think we have been involved in that at all. We will double-check on that.

**Senator EDWARDS:** Where is the accountability of state governments? I know that the Major Cities Unit does other things, but where do you get involved in this? Please help me out.

**Mr Wilson:** State governments are not accountable to the Major Cities Unit.

**Senator EDWARDS:** I know. They nearly nailed you for \$41 million last year.

**Mr Wilson:** With the Major Cities Unit, as Mr Mrdak has indicated, this a document that outlines the Commonwealth's goals in regard to its agenda for cities. States are constitutionally capable of making—

**Senator EDWARDS:** What cities do you overlay your plan onto?

**Mr Wilson:** As Mr Mrdak has indicated, the document is a guide for Commonwealth future investment and involvement in major cities in Australia.

**Senator EDWARDS:** You have not been asked to contribute in any way, shape or form to the formation of this plan with the South Australian state government?

**Mr Wilson:** No.

**Senator EDWARDS:** So they are on their own.

**Mr Mrdak:** I will check, but I do not think we have had any engagement on this matter.

**Answer:**

The Department has not had any engagement with the Government of South Australia on the proposed development.