

AUSTRALIAN INITIATIVES IN URBAN  
AND REGIONAL DEVELOPMENT

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Australian Initiatives in Urban  
and Regional Development

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Introduction

There is a growing involvement of national governments in matters concerning urban and regional development. This involvement has arisen because of the increasing significance of national processes in this area and a recognition that problems associated with these processes can only be overcome effectively on a national scale. The response taken and the institutions which have been developed have varied from nation to nation. The Australian government established its first Department of Urban and Regional Development in December 1972. The Department has a very wide range of functions extending from strategy and policy formulation and resource allocation on one hand to program implementation on the other. The following paper is an attempt simply to describe what appear to us to be some of its major achievements to date and to outline thinking within the Department on certain issues. It is most important to realise that ideas on policies and programs are evolving continuously: the speculations and even contradictions within the paper are a reflection of the evolving state of knowledge about urban and regional policy issues.

The Department is not yet at a stage where it is really possible to critically review the effectiveness of its policies and of its programs. But it would be misleading for us to imply there is no room for criticism, or that relationships with lower levels of government in the federal system are proceeding easily. The entry of a new organisation into the field of urban development inevitably generates some opposition from long-existing organisations and wide discussion about its role, policies and programs. This is the position in Australia at the present time. Largely for this reason and due to the evolving nature of the national government's role in urban

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\* During 1974 Professor Logan was an adviser to the Department of Urban and Regional Development. The views expressed in the paper are those of the authors and not necessarily those of the Department of Urban and Regional Development.

affairs it seemed most appropriate for us to present to the Conference a summary account of the reasoning and the agreements and disagreements which are leading to the articulation of national policies and programs. It may be of value to others as a case study of the kinds of problems to be encountered, and of the opportunities which are available, when a national government in a federal political system enters the field of urban and regional development.

### I. The Australian Settlement System

The distribution of Australia's population and economic activities is strongly influenced by the colonial origins of the nation and the comparative recency of the federation of the six states (Robinson [21;22]). European contact is entirely post Industrial Revolution which means that economic growth throughout most of the nineteenth century proceeded mainly on the basis of the export of primary products and the import of manufactured goods. The great importance of trade gave an impetus to the growth of the six port cities established by the British as their colonial administration centres. These six cities, described as "pure products of the nineteenth-century expansion of capitalism" have continued to dominate the national settlement system (McCarty [14]).

Trade and commerce have stayed at the foci of transport routes, and the radial extension of road--and later rail--routes from the colonial centres served to strengthen the magnetism of the state capitals. These transport routes did not connect villages and towns that already existed. Thus, from the beginning, regional service centres in Australia have displayed uncharacteristically high dependence on the capital cities, to some extent denying access to higher order services to those unable to frequently visit these cities. This situation remains to the present time.

The settlement pattern of each state, then, is characterised by a high degree of metropolitan primacy (Rose [24]). Considered at the national level, however, the settlement pattern is not dominated by a single city, but by a number of medium-sized cities. Overseas migration has always been a much more important component of metropolitan growth than rural-urban migration. During the nineteenth century, immigration was heavily subsidised by private and some public funds; it was closely associated with capital inflow, irregular in volume, and biased towards young adult males. The cultural preferences of nineteenth-century settlers, mainly from Great Britain and Ireland, were for town life, and not the rural settlement of an inhospitable continent. Whereas in European history the rural population was drawn into urban centres by industrialisation, in Australia the process was to some extent reversed: the large cities developed in advance of both industrialisation and rural settlement.

By the 1860's, Australia was already highly urbanised without significant industrialisation, but subsequent rapid capital formation and industrialisation was associated with the high degree of urbanisation (Butlin [5]). From 1860 to 1900 a very high proportion of new capital formulation went directly into the building of cities, with residential building and transport construction leading other investments in commercial and industrial structures, public buildings and water and sewerage systems.

As the cities grew, their internal structures underwent considerable change. The original close-packed, mixed arrangement of activities was later surrounded by lower-density residential development made possible by successive improvements in transport technology. The abundance of land--and speculation on its development--encouraged the low density mode of suburbanisation characteristic of today's cities. The commercial dominance of the central area declined as other centres developed around railway stations, tram stops and car parks, despite rapid increases in the rate of development of inner-city areas in the 1950's and 1960's.

#### More Recent Trends

The consistent population growth of the capital cities over the past fifty years is summarised in Table 1. In the case of every state the metropolitan area has increased its share of the state's total population. In 1947, 51 percent of the population lived in the state capitals, but by 1971 this proportion had increased to 60 percent. The actual degree of urbanisation of the nation's population appears much greater when consideration is given to smaller urban places. In 1971 there were 120 towns and cities in Australia with a population greater than 5,000 and these urban areas accounted for 10,425,000 people, or 82 percent of the population. An increasing proportion of the total population lives in urban areas; this proportion has risen from 48 percent in 1954 to 86 percent in 1971.

The continued growth in the urban population has occurred with a simultaneous decline of the rural population. In 1947, 31 percent of the population lived in rural areas but by 1971 this had fallen to 14.5 percent. The changing structure of the rural economy, together with its declining significance in the total national economy, has been the main factor in the relative slowdown in the population growth of the rural areas. This is associated with the historical concentration of the bulk of Australian manufacturing industry in the state capitals (Linge [12]; Logan [13]; Bunker [4]).

Table 1. Population of the states: 1921-1971.  
(thousands of persons)

	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.
1921	2,100.4	1,531.3	756.0	495.2	332.7	213.8
1933	2,600.8	1,820.3	947.5	580.9	438.9	227.6
1947	2,984.8	2,054.7	1,106.4	646.1	502.5	257.1
1954	3,423.5	2,452.3	1,318.3	797.1	639.8	308.8
1961	3,917.0	2,930.1	1,518.8	969.3	736.6	350.3
1966	4,237.9	3,220.2	1,674.3	1,095.0	848.1	371.4
1971	4,601.2	3,502.4	1,827.1	1,173.7	1,030.5	390.4

Population of state capital cities: 1921-1971.<sup>1</sup>  
(thousands of persons)

	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart
1921 <sup>2</sup>	912.8	800.5	217.7	259.6	155.6	53.9
1933	1,237.1 <sup>*3</sup>	995.8 <sup>*</sup>	301.3	313.0	209.0	62.2
1947	1,489.6 <sup>*</sup>	1,228.3 <sup>*</sup>	404.6	388.0	276.0	76.5
1954	1,863.2 <sup>*</sup>	1,524.1	502.3	483.5	348.6	95.2
1961	2,303.8	1,984.9	692.9	659.3	475.6	130.2
1966	2,542.2	2,230.8	778.2	771.6	559.3	141.3
1971	2,807.8	2,503.5	867.8	842.7	703.2	153.7

<sup>1</sup>Capital city statistical divisions.

<sup>2</sup>Figures prior to 1961 exclude full-blood Aborigines.

<sup>3</sup>Where a boundary has been extended the first figure in the series based on the new boundary is indicated by an asterisk.

### The System of Cities

The ten largest cities (the six state capitals plus Canberra, Newcastle, Wollongong and Geelong) contain about 70 percent of the nation's population (see Figure 1). Between 1961 and 1971 the same cities accounted for 89 percent of the total population growth. The actual concentration of population is heightened when consideration is given to the growth of some large nonmetropolitan centres. In New South Wales for example, the steel producing centre Wollongong grew by well over 100 percent from 1947 to 1971 (almost one-half of the total increase was composed of immigrants from overseas). Newcastle, the other steel producing centre to the north of Sydney, did not increase its population substantially, but the two centres together with Sydney make up a huge concentration of people in the central coast of NSW. Likewise, in Victoria, Geelong experienced a growth of over 200 percent between 1947 and 1971, the main development thrust being not

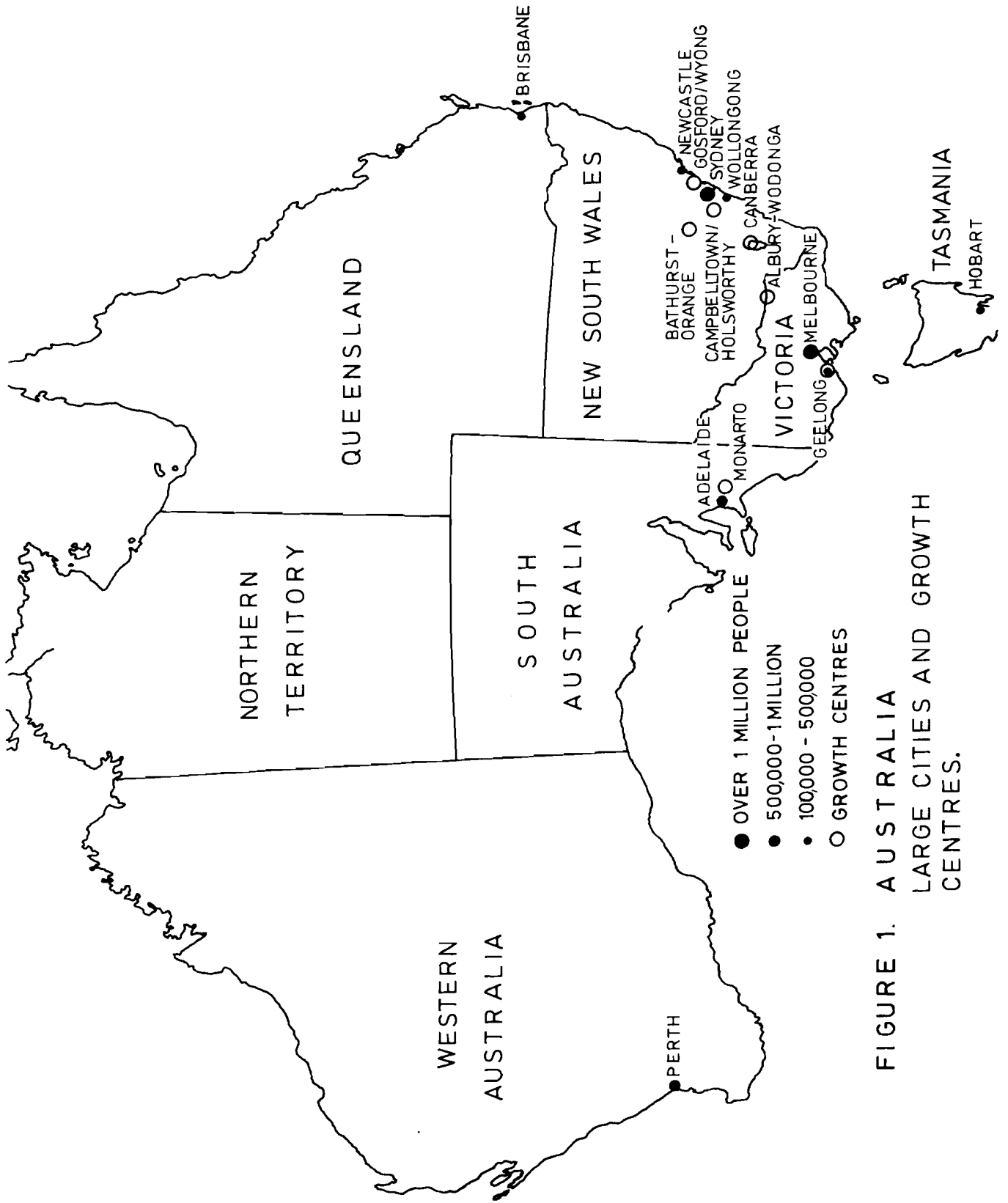


FIGURE 1. AUSTRALIA  
LARGE CITIES AND GROWTH  
CENTRES.

steel as in Wollongong, but woollen textile and car body manufacturing. In Queensland, the expansion of the Goldcoast, based on tourism, and of Toowoomba have reinforced the concentration of the population in the southeastern corner of the state. The only large centre physically isolated from a capital city to grow rapidly was Townsville in northern Queensland; it is the main export port for ores from central Queensland and is the site for a large copper refinery.

The number of towns with populations more than 10,000 but fewer than 50,000 also increased from thirty-three in 1947 to fifty-seven in 1971, but their share of the total population remained constant at 9 percent. In general their growth rates were lower than for the nation as a whole: some of them actually experienced a loss of population through out-migration to other areas. This is a very important group of towns: they are the regional service centres for the rural population. Any policies oriented towards improving the delivery of social, cultural and commercial services to rural dwellers has to focus on towns of this size range.

At the tail of the hierarchy there is a large number of towns with a population of below 5,000--377 in 1971. It is possible that policies directed towards building up a selected number of regional centres of between 10,000 and 50,000 will necessitate policies to shift population from some very small centres. The rather depressed state of the agricultural industries generally indicates that these small centres have no real growth prospects.

#### Components of Urban Growth

The Australian population is fairly mobile by world standards; the 1971 census showed that two in every five people had changed their place of residence since the 1966 census. Most moves were local and had no influence on the growth rates of the city or region, but longer distance moves were sufficient to have a significant impact on the growth of Australian cities and towns.

Generally, in the 1947-54 intercensal period all the state capitals gained population by internal migration of the Australian-born population except Sydney and Melbourne which experienced net losses of 43,000 and 21,000 persons respectively. In contrast, in the 1954 to 1961 intercensal period, Sydney gained 42,000 Australian-born persons through internal migration of whom 64 percent came from outside NSW. In Melbourne there was a gain of 36,000 of whom almost 90 percent were from outside Victoria. During 1961-1966, however, both Melbourne and Sydney experienced substantial losses of people born in their own states. For Melbourne this loss was so great that it overbalanced the gain from other states, so that there was a net loss of 13,000 persons.



More importantly, immigration has been the main demographic component of Australian capital city growth since 1945 (Choi and Burnley [6]). Table 2 presents a breakdown of the total increase in the capital cities from 1947 to 1966 into three components, natural increase, the net migration of Australian-born and the net migration of foreign-born. In the cases of Sydney, Melbourne, Adelaide and Perth, net migration of foreign-born has been the most important component.

Table 2 also shows the relatively insignificant role of the net migration of the Australian-born, i.e. the rural-urban shift, as a component of capital city growth. Indeed it can be argued that Sydney and Melbourne have actually exported population to other cities, especially to Brisbane and to large provincial centres. It is apparent from the few preliminary studies made so far that internal migration patterns in Australia are more complex than they are generally considered to be and warrant more detailed study. It is also apparent that a reduction in the rate of immigrant intake will lead to a sharp reduction in the growth rates of Melbourne and Sydney.

Table 2. Components of capital city population growth in Australia, 1947-1966.

Metropolitan divisions	Natural increase	Net migration of Australian-born	Net migration of foreign-born	Total growth
<u>Numbers</u>				
Sydney	378,784	266	463,413	842,463
Melbourne	365,649	1,438	522,111	889,198
Brisbane	123,672	87,720	108,820	320,212
Adelaide	10,372	52,579	203,887	360,838
Perth	103,910	37,455	114,408	255,853
Hobart	28,746	9,946	18,286	56,978
<u>Percentages</u>				
Sydney	45.0	0.0	55.0	100.0
Melbourne	41.1	0.2	58.7	100.0
Brisbane	38.6	27.4	34.0	100.0
Adelaide	28.9	14.6	56.5	100.0
Perth	40.6	14.6	44.8	100.0
Hobart	50.4	17.5	32.1	100.0

Source: Unpublished data, National Population Enquiry, 1973.

## II. The Postwar Role of the Public Sector in the Settlement System

For a brief period at the end of the Second World War there was considerable interest by the national government in urban and regional development. The report of the Commonwealth Housing Commission [7], which had been formed to inquire into national housing needs, included a number of positive statements on national, regional and city planning (Harrison [11]). Amongst other things it outlined for the first time a type of national strategy:

National and regional planning may be described as a conscious effort to guide the development of the resources of the nation, and their use in productive enterprise, so as to provide a rising national income and therefore, a rising standard of human welfare.... In the past, national development, has been largely in the hands of private enterprise, and has thus been governed by the possibilities of profit-making rather than by the needs of the community. We consider that national, regional and town planning is an urgent national need.

This same report urged governments to decentralise industry and create "satellite towns" because of the deteriorating living conditions in the major cities. It also gave rise to the Commonwealth and State Housing Agreement Act (1945) which provided for the states low-cost housing programs to be financed by the national government. In the same period the Federal Ministry of Postwar Reconstruction reached agreement with the states for the two levels of government to plan development and decentralisation on a regional basis (Department of Postwar Reconstruction [9]). The nation was divided into ninety-three regions for each of which resources were to be surveyed, growth potential assessed and development planned in a co-operative manner by national, state and local governments. This period also gave rise to the first metropolitan plan in Australia, the plan for Sydney prepared by the Cumberland County Council [8], a second-tier agency elected by the councils of the Sydney region.

It is to the credit of the six state governments that regionalism has at least been kept alive. Indeed, in recent years there has been something of an upsurge of interest in regional development. In NSW, for example, largely because of the ineffectiveness of the advisory Regional Development Committees, an Interdepartmental Committee on Regional Organisations (1970) was formed to consider ways in which regionalism could be made more effective. The Regional Organisation Act, 1972 arose from the Committee's work. The Act recognised the need for fewer and larger regions and the value of common regions for most government departments and

agencies. Likewise in 1972 the Victorian government announced modifications to its decentralisation policy which involved dividing the state into ten regions each with a regional centre and a number of district centres. The decentralisation of public administration is seen as a vehicle for stimulating the growth of selected urban centres. In the remaining states there is similar evidence of reasonably strong interest in regionalism but of a general lack of political understanding and economic commitment to regional development. Decentralisation policies have never been fully integrated with policies to foster the growth of selected regions. Few countries in the world have such an obvious need for regional development policies as Australia, but our record to date is extremely poor.

At the metropolitan scale, the responsibility for urban affairs has been largely given by the state governments to local government and to certain authorities and commissions. In contrast to the situation in many countries where local government carries such major responsibilities as education, health and police protection, in Australia it is concerned primarily with such minor matters as building regulations, health regulations, road construction, waste disposal and so on. In the large metropolitan areas, however, the state governments have been concerned with the need for some city-wide planning organisation. This concern, the absence of city government and the general ineffectiveness of metropolitan planning in Australian cities are discussed by Harrison [11]. For the last two decades of rapid growth, the private sector has taken the lead in development and the public sector has become little more than the supplier of utility services. Quite apart from the general ineffectiveness of planning, there is the problem of the appropriateness of the physical orientation of planning in Australia when socio-economic problems are so clearly important issues in urban development.

By the 1960's continuing metropolitan growth was causing some strains, and public issues of transport provision, redevelopment, rural depopulation and local government fragmentation began to be linked to demands for federal action. Many states grappled, with only limited success, with policies for metropolitan planning, population decentralisation, and transport planning.

During the late 1960's the Australian Labour Party began to develop explicit urban and regional policies, and to put them together into an "urban affairs" platform. As Leader of the Opposition, Mr. Gough Whitlam championed such causes as revitalising local government, eliminating the sewerage backlog, encouraging public transport systems, and building new cities.

It is high time that the goals of urban development were made explicit. It is high time that a national framework of urban planning was established, and specific appropriate planning responsibilities assigned within that framework to the Commonwealth government, to the State governments and to regional government. It is high time that the Commonwealth accepted a proper share of the financial responsibility for urban development in all its forms.... A Labour government would not deny State governments and local government finance adequate for the functions which they are incomparably best able to perform or by default impose upon them functions better performed at a national level (Whitlam [25]).

He also proposed a means of making these goals for urban development influence resource allocation:

The big problem with urban and regional planning in Australia is that, with the exception of Brisbane and Canberra, the planning organisation is not the organisation which spends the funds and the organisations which do spend them see their responsibilities in terms of running trains, generating electricity, supplying water, building schools and so on. The spending organisations, in other words, have instrumental goals which they quite rightly pursue in the way which seems most efficient from their own sectional point of view. They spend the funds allocated to them by the Loan Council in the way which suits their own sub-systems best....The basic requirement is simply that, before a State or local government authority comes to the Commonwealth for funds for urban development, it should prepare an integrated programme budget which covers the total requirements of the area for which it is responsible. The very process of co-ordination required at the local and regional level to construct a total specification of requirements will force planners to take into account the varying interests of the instrumentalities which will construct and operate the sub-systems within their overall design.

The year 1972 was Australia's most decisive for the development and public acceptance of co-ordinated national intervention in urban and regional affairs. The cautious but not pessimistic *Report of the Committee of Commonwealth/State Officials on Decentralisation* [20] and the timely and programmatic report on *New Cities for Australia* by the Australian Institute of Urban Studies [2] set the scene for the debate.

The McMahon government (Liberal-Country Party) took some initiative in this area just prior to the national election late in 1972, with the National Urban and Regional Development

Authority (NURDA). The formulation of a national strategy for urban and regional development, and the influence that this strategy would have on the allocation of federal money to the states, were important aspects of NURDA's role. Equally important was NURDA's responsibility for the identification and promotion of growth centres. NURDA was also authorised to directly carry out some pilot projects, such as the Glebe rehabilitation project in Sydney, later initiated by the Department of Urban and Regional Development. The executive responsibilities of NURDA were limited; its influence would have resided in its proximity to the centre of power, the Prime Minister.

After an election campaign in which urban issues figured prominently, the December 1972 elections brought the Labour Party to government and led to the immediate establishment of a Ministerial Department of Urban and Regional Development. A simple description of the Department's responsibilities is contained in an initial statement of functions endorsed by the government during 1973. The Department has the following functions:

- a) Development and implementation of a national urban and regional development strategy.
- b) Development and monitoring of an urban and regional budget program to co-ordinate resources allocated for investment in urban and regional services by federal departments, state and local governing bodies.
- c) Development of an urban economic and long-term resource planning capacity.
- d) Initiation and co-ordination of federal department activities in urban and regional development.
- e) Co-ordination of advice to ministers.
- f) Negotiation with and provision of advice and assistance to the states, semi-government and local government authorities in the preparation and implementation of plans for cities and regions.
- g) Jointly with the Department of Transport, the assessment of demands for transport services arising from initiatives in restructuring urban areas or for regional development. Ensuring that the urban and regional budget program makes appropriate provision for investment in transport services.
- h) Initiation and co-ordination of research into urban and regional development.

- i) Establishment, then supervision of the activities of Australian and State Land Commissions.
- j) Administrative responsibility for the success of the New Cities Program.
- k) Development and advice to the Australian government on a National Estate Program designed to protect and enhance land and buildings of national importance.

The Ministry for Urban and Regional Development is made up of the Department, the Cities Commission, the National Capital Development Commission, and the Albury-Wodonga Development Corporation, with a number of other organisations either indirectly linked or yet to be established. These are shown in Figure 2. The formal structure of the Department as shown in Figure 3 reflects the functions, but does not convey in detail the full range of activities undertaken, nor the way in which Departmental activities are organised.

### III. National Goals

It is appropriate that the national government should intervene directly in the process of urban and regional development. The problems are essentially national in character, arising from the impact of processes which operate throughout the entire system. Although many of the activities of the national government have always had important spatial effects, the spatial dimension has, until recently, never been made explicit. In Australia only the central government has the financial resources that are needed for such major initiatives as building new cities or restructuring the settlement system or rearranging the shape and functions of cities. The national concern in this area is in keeping with similar events in other countries notably Sweden and Canada.

The concern has been associated with an attempt to identify national goals and to translate these into more specific objectives in urban and regional development. Once again this is consistent with what has been happening in many other Western countries (Wingo [27]; Miles [16]; Rodwin [23]; Beckman [3]). In August 1973 the Australian Government announced the appointment of a Priorities Review Staff, which has, amongst other things, also sought to identify the broad goals of the government. It claims that the basic concerns of the present government are with: the degree of equality between various members of the community; the quality of life; the stable growth of prosperity; the preservation and expansion of civil rights; national identity, purpose and security; a greater measure of international justice (Priorities Review Staff [19]).

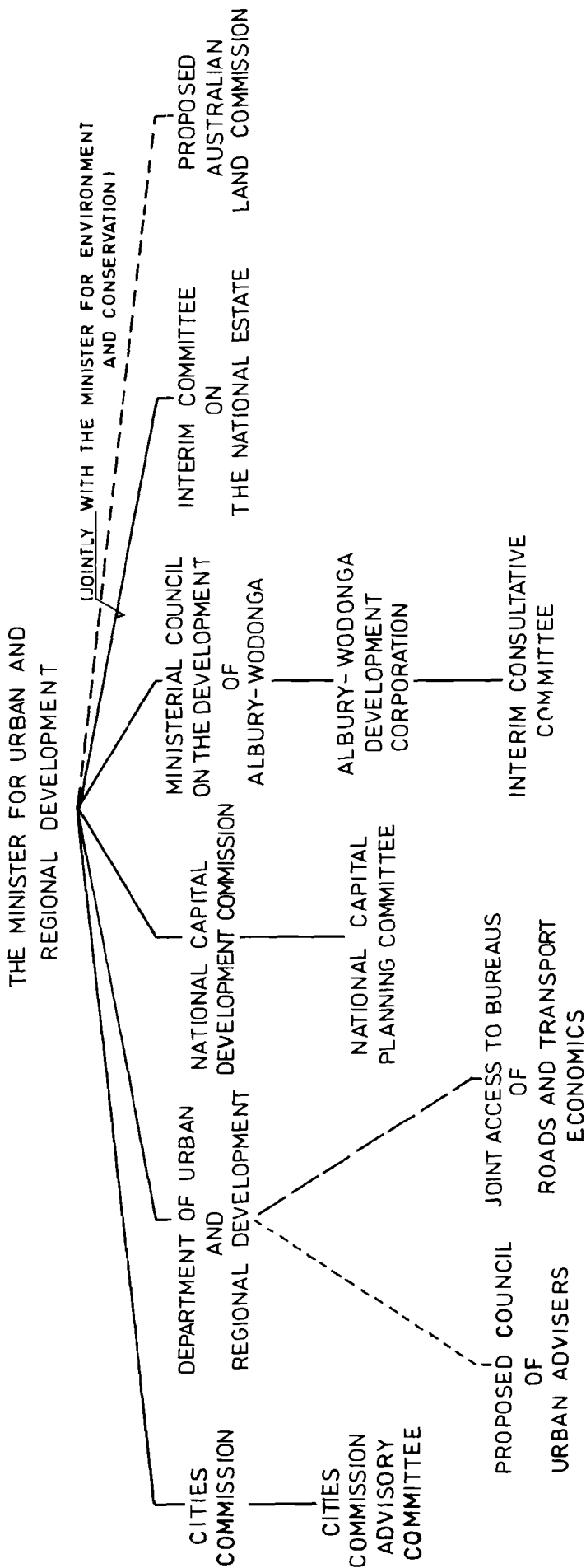
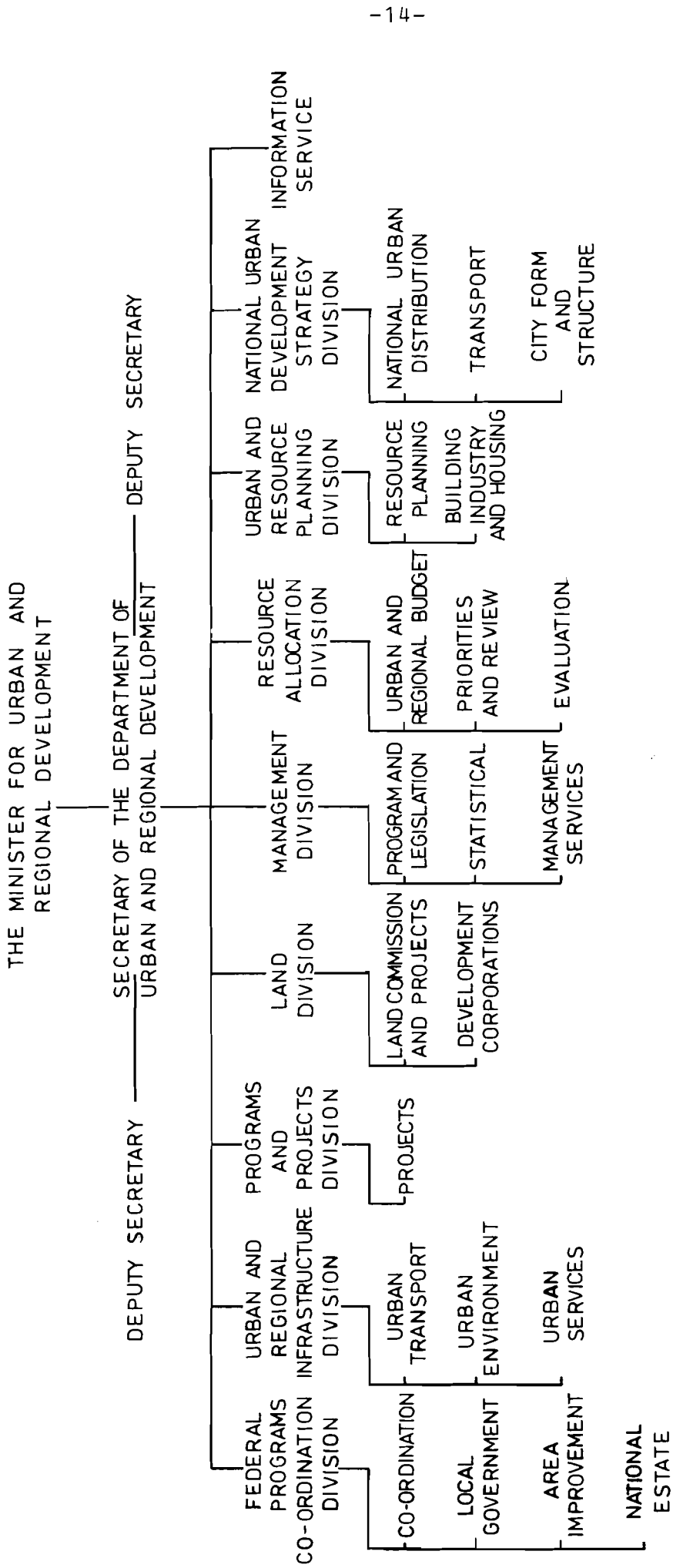


FIGURE 2. THE MINISTRY FOR URBAN AND REGIONAL DEVELOPMENT.



**FIGURE 3. THE DEPARTMENT OF URBAN AND REGIONAL DEVELOPMENT**  
(OPERATIONAL ARRANGEMENTS AS OF 30 JUNE 1974).



Some sort of broad goal and objective formulation is necessary to guide policy and to evaluate the effectiveness of programs. But a set of goals and policies can never remain constant, especially in the field of urban and regional development. It is also possible that a set of urban goals will not always fit neatly together. William Alonso [1] suggests a useful comparison between foreign policy and national urban and regional policy.

Foreign policy deals with relations with foreign territories, urban and regional policy with domestic territories. No one would suggest a master plan approach for foreign policy. It is understood that such policy is a permanent and continuing function of government, with aspects of it fixed in particular documents and protocols, but in general following some general purposes and strategies, adapting them to different regions, to new developments and new insights, and recognising that, realistically, it quite often will contain some internal contradictions. It is also recognised that other areas of government policy, such as taxation, monetary policies, technology policies, and even urban and regional policies, affect the circumstances and purposes for the conduct of foreign policy.

At any point in time there can never be a comprehensive, logically articulated and self-consistent statement of urban and regional policy; rather, broad strategic guidelines should be developed to guide tactical decisions as opportunities and contingencies arise. At the most general level, action should be informed by goals, values and attitudes that are as far as possible ends in themselves, and not merely means towards other ends. The search for basic goals, however, runs the risk of reducing goal statements to vague generalisations.

It would be irresponsible for a Department of Urban and Regional Development to spend all of its resources in seeking to define general goals without taking any action. Many public attitudes are formed only by responses to particular actions. However, as the range of action widens, it becomes more and more necessary to develop policies so that every problem that arises does not have to be solved by going back to first principles. For a national government to exist and act, it must assume some degree of consensus about goals.

The primary source of these goals lies in the intentions of elected governments, both as expressed in policy statements and election platforms, and as implied by government decisions as they are made. Secondary sources include the full apparatus of the party structures, advice from and decisions taken

by the bureaucracies, and a wide range of other policy advisers. There is bound to be conflict among these sources, and there are often elaborate methods for resolving these conflicts. If this policy-making system is to become more sophisticated and democratised, further secondary sources should include the participation of community groups in the formulation of policies, and the results of policy-oriented research into urban and regional problems.

The broad national goals relevant to urban and regional development are generally based on the "three great aims" expressed by the Australian Prime Minister in the Labour Party Policy Speech in 1972:

- Our program has three great aims. They are:
- to promote equality,
  - to involve the people of Australia in the decision-making processes of our land, and
  - to liberate the talents and uplift the horizons of the Australian people (Whitlam [26]).

The following discussion represents an attempt to outline a set of goals most pertinent to urban and regional development. The points presented are an interpretation of material presented in policy speeches and in other statements. The goals can be summarised as follows:

- 1) To reduce inequalities in the distribution of income, wealth, and individual opportunities.

This goal implies the intervention of governments in a range of areas to protect disadvantaged segments of society, and to encourage basic change in the society, the economy and the policy so that severe inequalities do not arise in the future. The Prime Minister's 1972 policy speech makes it clear that equity is the primary goal of the government's urban and regional policies:

Even the most enlightened and equal approach to social welfare can only scratch the surface of the basic problem of equality and well-being of most of our citizens. We can double and treble social benefits, but we can never make up through cash payments for what we take away in mental and physical well-being of community life and community identity. Whatever benefits employees may secure through negotiation or arbitration will be immediately eroded by the costs of living in their cities; no amount of wealth redistribution through higher wages or lower taxes can really offset the inequalities

imposed by the physical nature of the cities. Increasingly, a citizen's real standard of living, the health of himself and his family, his children's opportunities for education and self-improvement, his access to employment opportunities, his ability to enjoy the nation's resources for recreation and culture, his ability to participate in the decisions and actions of the community are determined not by his income, not by the hours he works, but by where he lives. This is why Labour believes that the national government must involve itself directly in cities. Practically every major national problem relates to cities. A national government which cuts itself off from responsibility for the nation's cities is cutting itself off from the nation's real life. A national government which has nothing to say about cities has nothing relevant or enduring to say about the nation or the nation's future.

The general promotion of equality can be expressed in many ways. The distinctive aim of urban and regional policies and programs in this area is to promote equality according to location. Both within cities and between regions, a broad policy goal is to reduce disparities in standards of living. However, it is not possible, nor is it desirable when other goals are considered, to aim to make all areas identical. This would reduce the range of alternative places for people to live, and would be a highly inefficient allocation of resources. The real issue is not so much to equalise but to ensure that all people irrespective of where they live enjoy a minimum acceptable standard of living.

- 2) To ensure that citizens have more equal access to a full range of public services.

This related goal is directly concerned with public sector activities, their quality and range, and the distribution of their availability. Inequalities in the past have been allowed to develop, sometimes with severe social consequence. Some government services have been available more readily to those areas or groups sufficiently well-organised to secure such services, and in the past these have not normally been low-income areas and groups. The location and range of services provided is the most important aspect of this goal, but there are other factors which need to be considered. A service does not become "available" just because it is located nearby. There may be, for example, language difficulties

of access for migrants. A particular service may not be appropriate to the needs of a region, but only people living in the region may be able to point this out. To this extent there is a difference between physical accessibility and real availability. The realisation of this goal is a major task for the whole government, but in its locational dimension, it becomes a vital aim for the Department of Urban and Regional Development.

3) To achieve greater efficiency in the allocation of resources.

Greater efficiency is a worthwhile goal even if the initial distribution of gains is not entirely acceptable to the government, since the government can, in principle, consider taking supplementary measures to make this distribution acceptable. While action should be taken to assist processes of structural change in the economy, this should be done in such a way that resources will be efficiently located without undue hardship to the people concerned.

In some situations a mixture of gains and losses to different people may be involved, even though the total gains exceed the total losses. In such cases the distribution of the gains *and* losses can be very important. If it is acceptable, supplementary measures to penalise gainers and compensate losers may be required, or the proposal to change resource allocation may even have to be rejected on equity grounds.

The importance of this goal should not be under-estimated. There is a considerable body of theory and evidence to the effect that, without the intervention of government, resource allocation would be far from efficient. Even with the intervention of government, there remains a need to ensure that the government's activities themselves employ resources in the most efficient way. Efficient allocation of resources is said to be a benefit of the operation of the market system; it is also a widely accepted aim of economic policies. The efficient *spatial* allocation of resources is as important as the more common reading of efficient product or industrial allocation of resources. The concept of efficient *spatial* allocation of resources is important to the theoretical base of the activities of the Department of Urban and Regional Development and as a guide for administrative action.

- 4) To open the processes of government and planning to effective citizen participation and to decentralise decision making and administration.

This goal is based not only on the need to make the activities of government more visible and more open to the community, but to widen the sources of advice traditionally available to governments. In his 1972 Policy Speech, Mr. Whitlam said:

We want the Australian people to know the facts, to know the need, to know the choices before them. We want them always to help us as a government to make the decisions and to make the right decisions ... The Australian Labour Party will build into the administration of the affairs of this nation machinery that will prevent any government, Labour or Liberal, from ever again cloaking your affairs under excessive and needless secrecy.

There are, of course, significant trade-offs to be made in the operationalisation of this goal. It is important that public decisions be discussed widely before major commitments are made, and that these discussions involve those affected by such commitments, and not only the powerful lobby groups. Many local pressure groups are parochial in their emphasis, but to ignore the advice of community groups, particularly in urban and regional affairs, is to ignore a source of valuable ideas and energy. Of course, achieving genuine participation in formulating a national strategy and a set of national policies can be extremely difficult. The decentralisation of decision making, particularly to the regional scale, both within the Australian government and outside it, will necessarily be a slow process. But there is wide agreement on the general principle that public decisions should be made as close as possible to those affected by the decision, and with as wide a debate as possible.

- 5) To preserve and enhance the natural and manmade environment and conserve natural resources, particularly energy resources.

As with other goals, there is likely to be little disagreement with the principles expressed by such a statement: all political parties place a high priority on environmental and resource policies. While the conservation and co-ordinated development of resources have

long been goals of government, in recent years environmental questions have assumed relatively greater importance. The possible deletion of certain natural resources and increased environmental pollution have brought about fundamental re-assessments of national goals in countries such as Japan and the USA, and such a re-assessment is occurring in Australia. One of the most important aims of urban and regional policies and programs must be the improvement of the natural and manmade environment, and the conservation and wise management of resources. There is a close relation between this goal and questions of equity and economic growth, so that whatever objectives are derived from environmental considerations must reflect this fact.

- 6) To maintain full employment, maximise variety of job opportunities and promote job enrichment.

There is a complex area of policy and institutional arrangements that are aimed at maintaining full employment and a satisfactory employment for all those able and willing to work, which has a direct bearing on urban and regional problems. Opportunities to enter into the work force and the type of employment available vary widely within and between urban and regional centres. Many regions are highly dependent on one main industry. In such communities employment opportunities are dependent on the economic well-being of that industry. However, the need to rationalise certain industries may dictate a policy of assisted out-migration from regions with declining economic prospects, rather than a policy of artificial inducement of employment in such regions. Under-utilisation of married women and lack of employment opportunities for special skills in an area are problems for urban and regional policy as well as the work force as a whole.

- 7) To provide the conditions for a wide range of lifestyles within the population, without discrimination according to race, age, sex, religion or class.

As western society becomes outwardly more diverse, governments have sought to provide suitable conditions for a plural society. But the removal of discrimination against minority groups is a concomitant goal. In a discussion on racial inequality the Priorities Review Staff [19] suggest:

Aboriginal policy should continue to present opportunities to Aborigines who want to raise their material standards and become part of white society, while also allowing those who want to develop a separate identity to do so.

Policies which assume a homogeneous society are likely to be unsuccessful. Some groups face complex sets of problems for which they often do not have the resources to solve for themselves. Such groups would include recent migrants, Aborigines, unmarried mothers, old age pensioners, and homeless men and women. Government policies should sometimes be specific to particular groups. Increasingly, more privileged groups are choosing to pursue life-styles at variance from the cultural mainstream, and the promotion of such freedom to choose becomes a goal in its own right, subject of course to a number of constraints.

#### IV. A National Settlement Strategy

In order to achieve the broad goals outlined above the Department has attempted to translate them into appropriate policy objectives and to formulate a general strategy of urban and regional development. The strategy, in turn, is implemented by a series of programs. The Department of Urban and Regional Development, therefore, has a very broad range of responsibilities extending from national goals and policy formulation to actual implementation of policy on the ground. The implementation occurs through the Department's own programs and through the co-ordination of the activities of other Departments.

The approach taken to date has been largely to embark on a development program before the actual details of an overall strategy have been determined. This sequence has occurred for a number of reasons. Certain problems such as a national backlog of sewerage provision, service deficiencies in the outer western suburbs of the two largest cities, Sydney and Melbourne, the unsatisfactory financial position of local government, and deteriorating living conditions in inner city areas, are clearly apparent and warrant immediate action. Other programs, such as the national effort to develop new cities, are of such a long-term nature that pilot projects were planned as soon as the feasibilities of certain regions were assessed. A further reason for deciding to develop a number of programs in advance of a detailed strategy was, and still is, the high level of public expectation to see results "on the ground."

The strategy is conceptualised as a process of achieving public objectives concerning urban and regional development. There are clearly many directions which the strategy could take as a result of public discussion, research and consultation. The approach to the development of a national strategy currently preferred is to establish a process of policy and program co-ordination in order that the activities of the Australian government, state and local governments, private organisations and citizens all combine to direct changes in urban and regional

development towards the achievement of national objectives. This approach implies some degree of consensus about ends and about means and depends on a great deal of co-operation, co-ordination and good will.

Because the strategy is particularly directed at locational change, it becomes necessary to translate social objectives into policies concerning the arrangement of people and their activities on the ground. That is, a strategy for urban and regional development should focus not only on single components of development or sectors of the economy, but also on the integration of public and private activities within and between regions. It needs to be concerned more with processes of social change than with physical development. For its success in the public sector it will depend on the spatial co-ordination of activities in the various levels of government which directly and indirectly affect urban and regional development, including education, health, social security and welfare, housing, recreation, immigration, transport and communication, water supply and electricity and industry assistance. In the private sector, its success will depend more on co-operation with decision makers and those affected by their decisions, than by strict controls bluntly applied from above.

The strategy is concerned with tactics to overcome problems to do with the distribution, size and functions of settlements; the internal structure and processes of change in metropolitan areas; the location of employment opportunities and public and commercial services; patterns of resource availability and regional development; environmental constraints and opportunities; the nature of government and planning processes; patterns of land use and other attributes of land; and national systems of transport and communication. It provides the rationale for two kinds of action: the co-ordination of decisions taken outside the Department and the execution of remedial and developmental programs within the Department.

#### The Constraints on a National Strategy

Although there is a clear necessity for Australian government involvement in urban and regional development, there are a number of difficulties which constrain policy implementation. The processes underlying the symptoms are inordinately complex as are the structure and function of the urban system. For example, proposals to alter the distribution of population and the settlement pattern require an understanding of the slowness of change in population distributions and of the massive diversion of resources needed to effect such changes.

In Australia there is unfamiliarity with comprehensive national policies about urban and regional development. While the planning and regulation of certain economic sectors and social services at the national scale have become commonplace,



the spatial dimension of economic and social development has been largely ignored. Furthermore, because the Australian government has at its disposal the use of powers different from, and in some cases stronger than, the better-known land use controlling powers of state and local governments, the expression of the national strategy is not familiar. It will not appear in the form of a land use plan but ultimately in the form of a spatially-specific program and budgeting system.

The federal structure of the Australian Constitution and Government, the maintenance of residual powers by the states and, more specifically, the retention of most urban and regional planning powers by state governments create problems and challenges for a national strategy. Local government is solely constituted under State Acts. But there are many areas of overlapping and joint responsibility between the three levels of government. The Federal government is the main revenue-raising agency and makes allocations to the states. It therefore becomes especially necessary to develop a co-operative system of federalism for urban and regional affairs.

The time-scales for urban and regional changes are so long that there is a need for a good deal of national consensus on urban and regional issues. The long-term nature of change also presents problems for the successful monitoring of programs.

Probably the most difficult constraint of all is our lack of understanding and knowledge about urban and regional change generally. In Australia, and indeed, internationally, there is a lack of research directly relevant to policy formation and review. Research into urban and regional characteristics has been state-biased and we know little about the national system. The translation of socio-economic objectives into spatial policies is extremely difficult.

Finally, there is an absence of planning in general in Australia. For example, no economic planning framework exists to complement an urban strategy. It is, therefore, necessary for the Department of Urban and Regional Development to develop some economic tools of its own such as an urban and regional budget system, which will allow areal disaggregation for forward estimates.

#### Issues in a National Strategy

The Department is in the process of identifying issues and arguments to provide a basis for discussions which will lead to the formulation of a national strategy. The strategy will provide a bridge between the national goals and the action programs of the Department: that is, it seeks to translate national goals into more specific policies and operational procedures relevant to urban areas. The programs, in turn, will carry out the policies. The main issues currently being discussed are summarised below.

#### 4.1. National Settlement Policy

Each city and town is a part of a national urban system, which has evolved as a response to Australia's particular pattern of economic development. Policies related to this system may be called *national settlement policies* or *population distribution policies*. Ideally every region and every urban settlement in Australia should have a clear policy status, derived in a co-operative way, so that settlement policy may be related to national objectives and may have a practical application.

There is no consensus in the community about the appropriate population sizes of metropolitan areas. While popular opinion and political rhetoric appear to indicate that Sydney and Melbourne have grown to be too large, it may be that the size of metropolitan areas is a less appropriate expression of policy than their rate of growth. Although it may be virtually impossible to both set a limit to the population size of a city and also to steer growth in such a way that this limit is achieved, it is still proper and desirable for governments to have policy views about distribution of population.

##### 4.1.a. Sydney and Melbourne

Policies about the rate of growth of Sydney and Melbourne appear more useful than policies concerning their optimum size. Many past problems of service provision and social stress can be traced to a population growth more rapid than that of the ability of social networks and public authorities to support and service it. Furthermore, the burden of rapid growth does not fall evenly. Those social groups less able to defend their own interests in the city lose more through growth; those who are able to have the resources to organise to gain the benefits of growth do so.

Attempts to remedy the problems of rapid growth must be supported by the more basic policy objective of slowing down the rates of growth of Sydney and Melbourne. This policy objective is designed to achieve the goal of equity in particular, while at the same time allocating national resources in an efficient manner. Slower rates of metropolitan growth for these cities would reduce the rate at which outdoor recreation and other resources come under severe pressure. Public services, by being better able to cope with growth, will be more equally available to people, other things remaining equal.

Reduction of Sydney and Melbourne's rates of growth should be pursued jointly by the state and Australian governments. Relevant metropolitan agencies would appear to support this aim. The Melbourne and Metropolitan Board of Works [15] states that:

... unless actions of the various levels of government are effectively co-ordinated and directed towards achieving an integrated strategy, much of the action undertaken to influence the development of Melbourne could be self-defeating.... Both Commonwealth and State Governments are now committed to policies aimed at decentralising activities from the main cities in Australia....

The New South Wales State Planning Authority's *Sydney Region Outline Plan* states:

After careful consideration, the State Planning Authority has concluded that an integral part of the population strategy for the Sydney Region should be the adoption of a *provisional aim to steer 500,000 of Sydney's projected growth to new centres in other areas of the State, outside the Sydney Region.*

#### 4.1.b. Adelaide, Brisbane and Perth

The three next largest capital cities provide a dilemma for a national settlement policy. On the one hand, there are pressures for policies which strongly limit the rate of growth of these cities, partly because the dominance of metropolitan areas within the states is held by many to be undesirable generally. However, there is capacity within and around these cities to accommodate additional growth, and for most people the standard of services and facilities would be comparable to Sydney and Melbourne. For these and other reasons, it may not be desirable to limit severely the growth of these cities at present, although such limits may be necessary in the future. Indeed, from a national perspective, these cities are alternative locations for some of the growth occurring in Sydney and Melbourne. But it is necessary to safeguard the long-term economic future of these cities, and particular action may be needed in the case of Adelaide, which could suffer from too-rapid rationalisation of manufacturing industry or from the effects of a possible economic down-turn if general economic policy is not guided by a sound regional economic policy. An appropriate policy objective is for Adelaide, Brisbane and Perth to experience steady population growth and a widening of their economic bases. This objective is very general and should be examined more carefully. For example, it is uncertain whether in Queensland the degree of metropolitan dominance should increase, even if the size of Brisbane increases. A well-developed system of provincial cities is a feature of Queensland, a result of the development of transport routes, the off-centre location of Brisbane, and the application of decentralisation policies.

In the case of Adelaide, a slowing of its population growth and the rapid growth of Monarto may occur, but these may still not be sufficient to restrict the population of Adelaide to less than one million persons. The longer-term economic future of Adelaide, and the continued avoidance of unemployment there, is in some doubt unless growth and stabilisation in its employment base is encouraged as a matter of policy.

The Australian urban system is often characterised as one exhibiting a high degree of metropolitan primacy, without a range of medium-sized cities. As has been pointed out earlier in this paper such statements are not entirely accurate if cities around the half-million mark are regarded as medium-sized, and if the measure of primacy is the degree of national dominance, as distinct from state dominance. The cities of Brisbane, Perth and Adelaide, while currently exhibiting a range of problems, represent good opportunities in the future for medium-sized alternatives to Sydney and Melbourne, but their growth must be closely guided so as to avoid the problems of larger and faster-growing cities.

#### 4.1.c. Newcastle, Wollongong, Hobart and Geelong

With Canberra, these cities constitute a group of the next five largest cities in Australia, but Canberra should be discussed separately as a planned growth centre. The remaining four present unusual problems. For example, while Newcastle and Wollongong are larger than Hobart, the last is better supplied with public services because it is a state capital and because it is a beneficiary of state-by-state resource allocation arrangements.

Newcastle, Geelong and Wollongong all rely on manufacturing employment bases, and face dangers of their local economies remaining too narrow with respect to both industry and particular companies. The economies of cities dominated by single industries or single companies is subject to fluctuations, and thereby to variations in employment opportunities and unemployment levels. A policy is needed to encourage the diversification and stabilisation of the employment bases of these cities.

These three cities are all near larger metropolitan areas and their economies are becoming bound up with them, as evidenced by the increasing numbers of people commuting from one city to work in the other. These functional connections are likely to become more intensive and more complex, and this integration could well be facilitated as a matter of policy.

Along with this growing functional interdependence there is likely to occur a degree of physical coalescence as separate "fronts" of urban development join. Not only is the identity

of discrete urban areas at stake, but also the preservation of intervening outdoor recreation areas sufficiently large to meet future needs. Another characteristic common to Newcastle, Wollongong and Geelong is that they all occupy sites with potentially very pleasant living conditions, but which are marred by the environmental effects of manufacturing and the mining industry. Hobart, while less industrialised, is also located on a magnificent site. These cities demand stronger policies of environmental protection.

There appears to be a case for accommodating significant population growth in and around these centres and away from Sydney and Melbourne. It could be argued, however, that the encouragement of further growth within the urbanising regions of the two largest cities would, given the continuing centralisation of tertiary and quaternary industries, strengthen the power of the centres of Sydney and Melbourne and thereby contribute towards further centralisation.

Hobart, while likely to suffer somewhat from Launceston's growing relationships with Melbourne, also needs long-range economic stability. Closer industry linkages with the mainland should be modified according to Hobart's loss of the natural protection of distance.

In summary, the economic structure of Newcastle, Wollongong, Geelong and Hobart should be diversified and stabilised; they should be better linked to Sydney and Melbourne; their environmental standards should be improved and their capacity for accommodating significant population growth more closely investigated.

#### 4.1.d. Regional Growth Centres

An important component of a strategy to relieve the pressures of metropolitan growth are regional growth centres. Figure 1 shows the location of nominated growth centres throughout Australia. The Australian Government aims to develop a limited number of growth centres in selected regions outside the major metropolitan regions.

The success of a regional growth centre will depend upon a large number of factors including its location with respect to the major population centres and the communication network that connects the urban system. Albury-Wodonga, which is being developed as a growth centre, is strategically located on the major corridor between Australia's two largest cities.

The growth of Albury-Wodonga, and any regional growth centres to be nominated in the future, will be directly related to the ability to draw population and economic activity away from Sydney, Melbourne, and other places. A strategy for

creating growth centres is still embryonic in the Australian context; the growth centres program has been formulated in a quite pragmatic way. While a good deal of effort has been directed towards agreements with the states and other institutional arrangements, relatively little has been done to establish strategies for the attraction of economic activity. The economic base for most new centres will have to be the private sector. The Canberra model is, therefore, not generally applicable.

Although the manufacturing sector has previously been treated as the basis of urban growth, the tertiary sector will play an increasingly important role in the growth of these centres. An essential factor will be the extent to which good quality transport and communication services can be established to overcome the "tyranny of distance." The fact remains, however, that a national policy on incentives and ways to achieve the economic development of extra metropolitan growth centres has yet to be devised. In view of the inherent tendencies of the economic system towards continuing concentration in a spatial as well as a corporate sense, and the hitherto predominantly centralising policies of the federal and state governments, the question remains as to what system of incentives and disincentives would be adequate to overcome the momentum of the past and the trends of the present towards further concentration. Having answered the question: "In principle, what would be a sound regional growth centres policy?" the next question is "How feasible is such a policy in view of budgetary, resource and political constraints?"

State governments have for some time offered incentives chiefly for the decentralisation of secondary industry. Typical measures include the provision of cheap land, low-interest loans and loan guarantees, rail freight subsidies, relocation and retraining assistance for certain employees, and a host of particular measures tailored to attract particular firms. Evidence shows, however, that the effectiveness of these policy instruments has been limited for several reasons: adherence to a policy of non-selective decentralisation, competition between states for industrial development, the absence of disincentives for industrial location in metropolitan areas, and the size of the costs involved in non-metropolitan locations.

The conscious use of disincentives to continued metropolitan location, as part of a broad strategy for industrial decentralisation, has not occurred in Australia. Disincentives of various forms may be necessary, however, to supplement the range of positive relocation incentives in promoting regional development outside metropolitan areas.

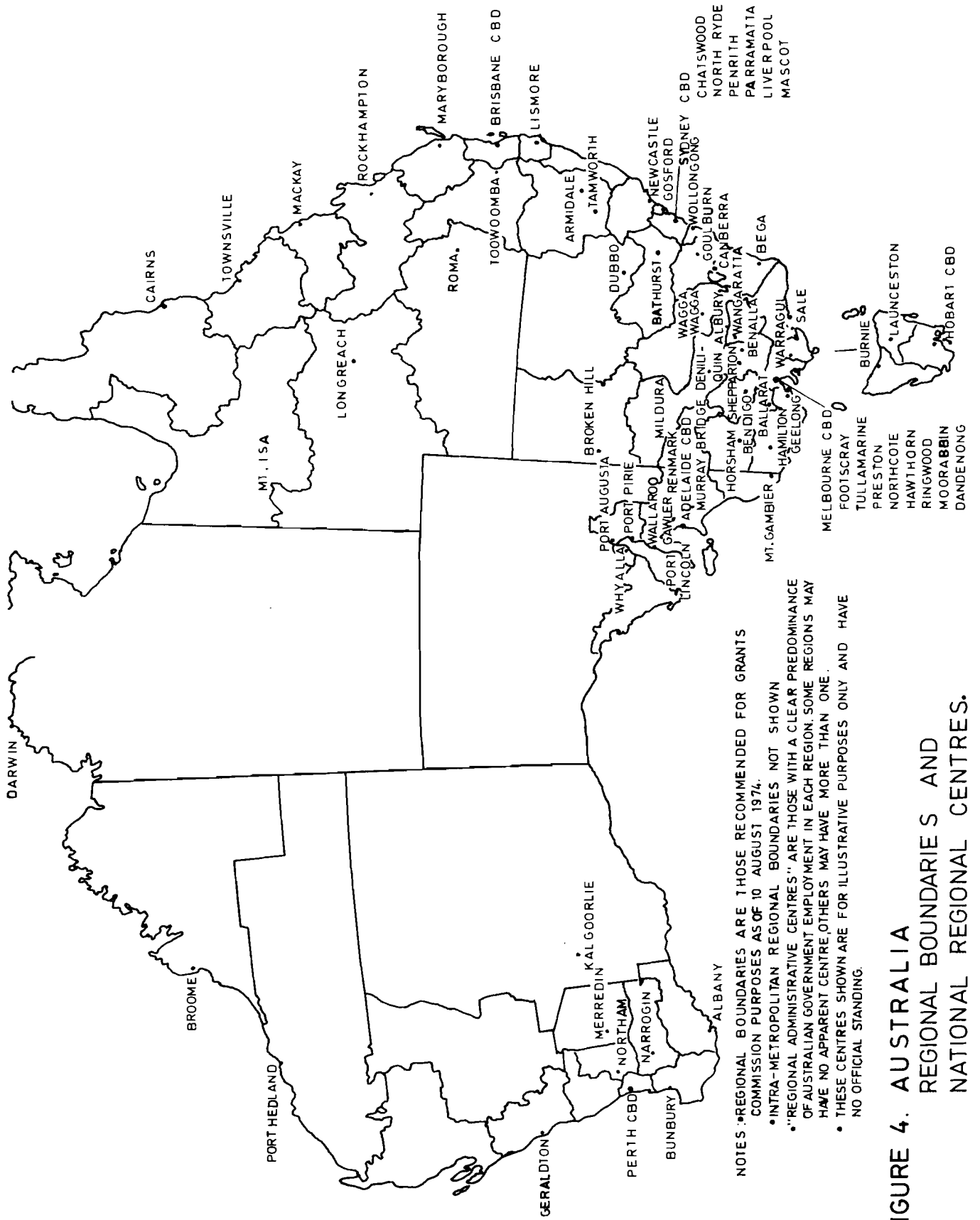
If a large proportion of the expected population increase by the year 2000 is to be located in growth centres, it will be necessary to take action quickly, especially in the urbanising south-east of the continent. The accelerated growth of Albury-Wodonga, Monarto, Geelong and Bathurst-Orange can begin to accommodate some of this growth. Their rates of growth can be monitored according to changes in fertility and net overseas migration. Campbelltown and Gosford-Wyong, while essentially part of Sydney's metropolitan strategy, should fairly quickly be able to accommodate much of Sydney's growth through planned urban development. However, further assistance to structure Sydney and Melbourne's growth may be necessary. Metropolitan growth centres for Brisbane and Perth, once designated, could become important elements in the metropolitan strategies of these cities. A strategy for identifying rural service centres suitable for some degree of accelerated and structured growth in all states should be investigated as part of formulating growth centre policy, but there is a real danger of proliferation of designated growth centres, causing unrealistic local expectations, and a diffusion of effort.

#### 4.1.e. Regional Service Centres

From the above discussion it can be seen that while regional growth centres should command a very high priority within a national strategy for urban and regional development, few regions can expect regional growth centres.

However, many non-metropolitan areas suffer from poorer services than the metropolitan areas. These services are often scattered, so that one government department might be represented in one rural centre, and another department in another rural centre. Because of the lack of spatial co-ordination of government services, accompanying privately provided services often are not available. Whenever public and private services are concentrated in one or two centres in a region, higher-order services such as specialist medical facilities and specialty shops are more likely to emerge than if service locations are scattered. The standard of services in each region can be raised simply by agreeing to concentrate service provision in one centre. In contrast to the development of regional growth centres, this change if conducted over time need involve no extra program resources of governments than would otherwise be spent. By rationalising the use of facilities in this manner, the costs of public service provision are reduced. In order to bring urban amenities within reach of country dwellers, it is necessary to encourage a continuation of opportunities in larger country towns.

Some regions do not have a town of sufficient size to be designated a regional service centre; others may have more than one town. Some services such as primary schools must be located in many places within a region; other services such as large hospitals cannot be provided for every region.



NOTES: REGIONAL BOUNDARIES ARE THOSE RECOMMENDED FOR GRANTS COMMISSION PURPOSES AS OF 10 AUGUST 1974.

- INTRA-METROPOLITAN REGIONAL BOUNDARIES NOT SHOWN
- "REGIONAL ADMINISTRATIVE CENTRES" ARE THOSE WITH A CLEAR PREDOMINANCE OF AUSTRALIAN GOVERNMENT EMPLOYMENT IN EACH REGION. SOME REGIONS MAY HAVE NO APPARENT CENTRE, OTHERS MAY HAVE MORE THAN ONE.
- THESE CENTRES SHOWN ARE FOR ILLUSTRATIVE PURPOSES ONLY AND HAVE NO OFFICIAL STANDING.

**FIGURE 4. AUSTRALIA REGIONAL BOUNDARIES AND NATIONAL REGIONAL CENTRES.**



However, the principle of concentrating public services in selected regional administrative centres is accepted by several state governments, and by the Australian government, on the grounds of efficiency in service delivery, equity in service provision, and the promotion of regional identity. Figure 4, based somewhat arbitrarily on Australian government employment concentration in Grants Commission regions, illustrates a pattern which may be a basis for discussion.

In summary, the emergence of viable regional service centres should be encouraged so that services of a higher order become available in non-metropolitan regions than would otherwise be the case, and so that urbanisation in a number of country towns can be encouraged without jeopardising the effectiveness of the growth centres program or incurring additional expenditure.

#### 4.1.f. Rural Settlements

In 1971, 24 percent (3.1 million) of the nation's population lived in towns of less than 10,000 people or non-urban areas. Most of these small towns function primarily as service centres for the surrounding hinterland, and their economic prospects are closely tied to fluctuation in the agricultural industry. The local employment base is small and usually very restricted in scope, with a noticeable deficiency in the range and availability of jobs for females. The low population thresholds make the provision of a wide range of private sector activities, including many types of retailing and business services, uneconomic for the same reasons. Many public services, including specialised health and education facilities, cannot be provided for individual towns. Together these factors inhibit the prospects for future growth of these small towns.

To improve living standards, however, it may be necessary to redistribute resources and opportunities in favour of certain rural regions. But in cases where a region has a declining population base, rundown facilities and a bleak long-run economic future, may be more appropriate to encourage voluntary out-migration to more prosperous regions, rather than to make extensive efforts to prop up the employment base of the declining regions.

#### 4.2 Regional Policy

In Australia, the term "regional policy" refers to a wide range of public sector policies and programs which are concerned with the social and economic development of particular regions. It also is concerned with efforts to introduce a more appropriate level of planning and administration that lies between existing state and local government boundaries.

At this stage in the evolution of regionalism in Australia, regional policies are of two kinds: those which are directed towards establishing a regional framework and making it work; and those which use the regional framework, or operate within it. Although the Australian and state governments have policies and programs of a regional nature, the following discussion will concentrate on regional policy issues for the Australian government.

#### 4.2.a. Regionalisation of Administration

This involves the devolution of administrative functions to the regional level. This devolution will allow a degree of regional autonomy which is designed to bring government closer to the people. It will increase the accessibility of "branch" offices to the community and widen employment opportunities within the region. The administration of some government functions is more appropriate to regionalisation than others. For example, transport systems can be less easily regionalised than health services. In particular, the Australian government is currently taking steps to regionalise the administration of education, health and welfare services. Where possible a policy of encouraging similar trends in the administration of state government responsibilities could also be followed.

#### 4.2.b. Adoption of Common Regional Boundaries

Another important issue is the need to avoid problems of overlap and confusion arising from different regional programs. At present there is some overlapping of boundaries, as well as a complicated division of responsibilities between many agencies of both state and Australian governments. One co-ordinating device is the adoption of policies to ensure maximum possible coincidence of regional boundaries for government programs. It may be necessary for all government agencies to take steps to conform to an adopted set of regional boundaries. Where necessary, the adoption of sub-regions or the amalgamation of regional units into larger areas would not be inconsistent with this general concept.

The recommended boundary framework for the regionalisation of administration is the set of regions initially approved for purposes of the Grants Commission as amended by further discussions with the states, shown in Figure 4. The proposed regional framework includes a division of metropolitan areas as well as country areas. In all cases it comprises groups of complete local government areas. These boundaries are based on the states' regional initiatives as well as studies of social and economic interaction carried out by the Department of Urban and Regional Development (1973).

A common regional framework for government functions allows those which have decentralised their administrations to co-operate more closely in the planning and delivery of services to common regions. The adoption of a common regional framework for government functions also makes it possible to move closer to the co-ordination of programs between levels of government. For this reason, the proposed Australian government regions are based as closely as possible on state government regions.

#### 4.2.c. Regional Administrative Centres

One consequence of adopting common regional boundaries would be a policy of establishing regional administrative (service) centres as the points at which regional administration is conducted. There is already a tendency for Australian government employment to be concentrated in no more than a few towns in each of the proposed Australian government regions. This tendency could be encouraged and so become a means of restructuring the settlement system. It is not envisaged, of course, that all regional offices of government would be re-located quickly to nominated administrative centres. The process should occur over a longer period of time: it is more likely to mean that when new regional offices are established, they are located in the administrative centres.

#### 4.2.d. Regional Organisations

Steps towards genuine regionalism require the devolution of certain responsibilities by the Australian and state governments to the regional level, and a growing regional awareness on the part of local government. The Australian government has already taken several steps to encourage the formation of regional organisations of local councils as a means of providing more effective local government involvement in regional development: for example, by enabling regional groupings of councils to have access to the Grants Commission. It is inappropriate to impose a uniform system of regional groupings on local government throughout Australia. Through programs of financial assistance it may be possible to offer selective assistance to those regional organisations willing to undertake research and planning activities.

An important question is the relationship between regional organisations encouraged by the Australian government and those established by state governments. At this stage the principle of establishing local government as the core unit of regional planning structures seems the most appropriate means of ensuring local participation in regional development, while at the same time preserving longer-term legitimacy. Official recognition of these regional organisations by state and Australian government agencies is a key factor in their success.

#### 4.2.e. Promoting Regional Planning

In Australia the region is an appropriate scale for planning at a level removed from the detail of local issues but below the scale of state and national planning. Although some states have legislated to introduce regional planning and associated administrative arrangements, the Australian government may also foster the adoption of regional planning as a major element of its regional policy throughout Australia. In particular, it may be necessary to promote the process of regional planning which embraces the social and environmental aspects of regional development as well as "physical" considerations, and to encourage more effective forms of community participation in public sector planning processes.

#### 4.2.f. Regional Economic Policies

Apart from general economic policy which often takes little account of regional resources and problems, a number of specific economic policies can be directly applied within a regional framework. Some of the more important instruments of regional economic policy include: the establishment of regional growth centres; incentives for industrial relocation; promotion of economic development in certain regions; and specific measures for ameliorating regional economic and social problems caused by changes in domestic and international economic environments. Collectively these economic tools provide a strong basis for implementing many aspects of a national strategy. From previous experience it is apparent that a policy of selective decentralisation will have the best chance of success.

#### 4.3. Metropolitan Policies

If present population trends continue--and there is a vigorous debate about whether they will or should--over three-quarters of the total Australian population will be living in the ten major urban areas by the year 2001. This contrasts with over two-thirds living in these areas in 1971 and just over half in 1931. Even if regional growth centre policies are successful in diverting some of this projected growth from the present metropolitan areas, it is clear that the large cities will retain the major concentrations of Australia's population.

Not only will the major metropolitan areas be where most Australians live and work, but also they will be the locus for many of the basic problems and challenges of Australian society. In particular, the problems of unequal distribution of income, opportunities and services, inefficient resource allocation, a deteriorating natural environment, and lack of citizen participation in decision making may be more obvious in metropolitan areas. Success in dealing with issues in the cities will largely determine success nationally.

A strategy for metropolitan areas is needed so that Australian, state and local government activities in metropolitan areas can be co-ordinated into an efficient and purposeful contribution to the task of tackling the problems of the cities. It is not the purpose of the Department of Urban and Regional Development or of the Australian Government to attempt to duplicate the plans and policies of state and local authorities, nor to encroach upon their legitimate responsibilities. Rather the intention is to foster communication and co-operation among the three tiers of government in an integrated and constructive approach to metropolitan planning. This has become especially relevant since the formation of a national ministry concerned with urban affairs and possessing resources of use to the two tiers of government with more immediate responsibility for our metropolitan areas.

#### 4.3.a. Metropolitan Objectives

It is necessary to derive from the national goals specific metropolitan objectives; the following appear to be most relevant at this stage:

- i) To seek co-operation with, and to support initiatives taken by, state and local governments to bring about desirable changes in the form, structure and size of the metropolitan cities.
- ii) To guide the location of business and residential activities in order to shorten the journey to work and to ensure, as far as possible, more equality in the availability of job opportunities for men and women of all skills.
- iii) To provide residential land at a reasonable price and to diversify methods of land tenure. This policy objective is designed to lower the income barrier to home ownership, as well as to remove a whole range of inefficiencies in the urban land market.
- iv) To work with other departments in order to ensure an adequate supply of housing, especially for low income groups, at a cost in keeping with ability to pay and at a location that is accessible to employment and other opportunities.
- v) To ensure that urban development or redevelopment occurs in such a way as to reduce inequalities and to preserve or enhance the social fabric and community identity, especially of minority or disadvantaged communities. The implementation of this policy objective involves trade-offs between social change and social stability.

- vi) To improve public transport systems.
- vii) To ensure, as far as possible, that all citizens irrespective of where they live in a city, have reasonable access to basic public facilities and services.
- viii) To improve the processes of public planning and the participation of citizens in it. (This policy is elaborated below).
- ix) To improve the quality of the environment and to preserve and enhance the national estate. This objective is related both to the natural environment and to air, water and other forms of pollution, as well as to the character of the built environment.
- x) To ensure that investment in urban infrastructure by federal, state, local and private agencies is well planned, efficient and co-ordinated, that backlog situations are removed and do not arise again in the future.

#### 4.3.b. Metropolitan Policies

Such objectives have implications for the nature of the metropolitan developments that would be desirable over the next few decades. It appears to be fairly widely accepted in Australia that the continued rapid growth of the large cities is not desirable. Selective decentralisation policies, furthered by the regional growth centres program, are a response to this consensus. However, it is also necessary to confront the problem that most Australians live in large cities and to adopt policies relating to the internal structure and size of these cities.

i) Metropolitan growth centres: Many urban problems can be related to the internal arrangement of cities, rather than to their actual size. In particular, the fact that metropolitan areas in Australia are single-centred rather than multi-centred is thought to contribute significantly to transport and other problems. Most suburban centres are essentially retail centres, and lack the full range of services found in the CBD. A policy response to this phenomenon is to use public planning to develop significant sub-centres which provide people in the outlying areas with a full range of metropolitan services conveniently located. The development of metropolitan growth centres should perhaps receive the highest priority, especially in Sydney and Melbourne. Metropolitan plans formulated by state planning agencies have in a general way foreshadowed the development of such centres. The establishment of metropolitan growth centres should be preceded by public acquisition of land and the provision of services in phase with demand. Public acquisition is designed to eliminate unearned increments from public investment going into private

hands and, therefore, to keep land prices lower; servicing ahead of requirements is designed to minimise the long-term costs of service provision.

ii) Redevelopment policies: Within metropolitan areas, particularly within the central city, redevelopment is constantly taking place. Public policies should ensure that redevelopment occurs in such a way as to preserve or enhance community identity, and desirable aspects of the social structure. Essentially this means that market forces which motivate redevelopment should be regulated according to social need criteria in determining the nature, extent and timing of development. Policy in this area falls broadly into two categories:

- a) disincentives for private investment that would clearly be at variance with national goals, and incentives for private investment that clearly promotes such goals; and
- b) public policy with respect to freeways, work force location, the expansion of public institutions, and other factors consistent with national goals.

In addition to systems of incentives and disincentives to deal with market failure and mis-allocation of resources, the redevelopment activities of the public sector itself have important effects upon metropolitan structure. According to one view, the public sector has performed poorly in this respect. Indeed it has been argued that urban freeway programs, the location of public employees and institutions in the central city, and the expansion of these activities arguably constitute as great a threat to the social structure of the inner city as the much-maligned private developers. Fortunately, public policy in this respect is changing. The Australian government is attempting to restrict the construction of radial freeways through inner city areas. It aims to ensure that no future freeway projects will be approved unless they meet a set of social, environmental and economic criteria.

iii) Inner city policies: The central city presents special problems. Buildings, including housing, tend to be old, and in need of redevelopment in some cases. There are higher concentrations of poor people and groups with special needs such as migrants, Aborigines, single-parent families, single-person households and the elderly. Many public bodies and private organisations provide services to inner city residents, but such services are often inadequate. Services that need to be co-ordinated include housing; tertiary production; job placement and retraining; family planning, maternal health and infant care; child care and kindergarten; consumer protection, legal aid, pensions and other welfare benefits; and assistance to special groups such as migrants and Aborigines. In particular, it is essential to maintain a range of job opportunities

consistent with the skills of the resident population in the inner city. If this objective is to be realised it is also necessary to control the growth of the central business district in order to relieve the pressure for high density redevelopment within inner city communities.

iv) Submetropolitan centres: A complementary set of policies is concerned with the encouragement of submetropolitan centres. By this we mean large centres of employment well away from central areas. These centres, with carefully planned growth in employment, should reduce disparities in access to service opportunities. Employment opportunities available nearer to residential areas will not only reduce the length of journeys to work but may for the first time make it possible for many women, including housewives, to enter or re-enter the work force. However, these centres need adequate public transport provision if they are not to rely on high levels of car ownership.

#### 4.4. Land Policies

Policies relating to the planning, development, administration, pricing, and use of land are an integral part of the national strategy. In the metropolitan areas most responsibilities associated with land use controls rest with state planning and servicing agencies, and with local government. The private sector also makes a large contribution, spanning a wide spectrum of tasks from land acquisition and assembly to development, finance, planning, sub-division, construction, and sales. A very few large companies integrate all parts of the process. Although there are some significant tracts of land remaining in public ownership, most land on metropolitan fringes is held in private ownership. This situation has important consequences for the timing and cost of land release in fringe areas. Elsewhere in the states, the proportion of land in public ownership is much greater although its location tends to be restricted to the less accessible and less productive areas.

Policies for the use and development of land resources in the non-urban areas of each state are the responsibility of a number of state and semi-public authorities. In some states there has been a serious attempt to develop comprehensive management policies for public land. In the past, federal governments have taken little interest in urban land policies, leaving these tasks almost solely to the states, the only notable exception being the development of Canberra in the A.C.T. However, the Australian government owns significant parcels of land in and around the major cities, and by various means has had an indirect effect on many aspects of the land question, ranging from monetary economic policies to the allocation of grants for housing.



For a more efficient use of land, long-term planning and land use controls are needed. For efficient use of resources, control over the timing of urban development is also extremely important to ensure that land and services are available when needed. Public management and control of land, especially just prior to and during development, is one of the ways to achieve co-ordinated rational development of urban areas, and may be particularly important when rapid growth is occurring. Citizens with similar interests and needs for obtaining land should have equal opportunities to do so. At present, high and rapidly inflating land prices discriminate in favour of existing land owners at the expense of tenants and prospective buyers. This makes it increasingly difficult for future home owners to get into the market. When land remains under private control, a government policy to develop a particular area leads to large increases in land prices. This can then make it difficult for the government to buy the land needed to implement the original policy, and so attempts to co-ordinate and rationalise the development of urban areas are defeated.

Placing a proportion of land under a public authority such as a land commission before and during the development stage would help prevent speculative rises in the prices of land and would enable public authorities to execute planned urban development with the help of public decision making and finance. Private developers would have an important role in the development of land under the control of a land commission, or other public sector development agency. The public sector would be responsible for the management and control of the land but private developers would be involved on a contract basis in the servicing and developing of the land. The valuable organisation and entrepreneurial skills of the private sector would thus be used in a way that would benefit both the developers and the community.

#### 4.5. Transport and Communication

##### 4.5.a. Transport Policies

Public attitudes to urban transportation are in a period of change and uncertainty. This change is related to the shifts in public values concerning such issues as environmental quality and the utilisation of scarce resources, preservation of local communities, the distribution of the benefits of transportation expenditure as well as widespread feeling that transportation systems are not achieving their planned objectives.

Some of the broader objectives for the urban transportation system could be

- to provide the means whereby people and freight move from place to place in a safe and efficient manner;

- to conserve energy;
- to provide a transportation system in which many modes (car, bus, train, plane, ferry, bicycle, walking, etc.) are represented and in which each mode is being used to its best advantage;
- to reduce inequalities by ensuring that the benefits and costs of transportation programs fall equitably-- not necessarily equally--on all sections of the community;
- to preserve and enhance the social and physical environment;
- to improve the transportation opportunities to the young, old, disadvantaged and non-car users;
- to encourage the introduction of future technological advances in public transportation, where these can be shown to be socially desirable;
- to promote and support other national, urban and regional development policies.

These broad goals and objectives are neither internally consistent nor complete, but the following programs could contribute towards the achievement of some of the above objectives:

- Priority should be given to developing a comfortable, frequent and reliable public transport system, directed to increasing the use of public transport, especially for going to and from work.
- The construction of inner-city freeways cannot be supported if such freeways encourage car-dependence, promote unnecessary growth of the CBD and destroy inner-city communities.
- The planning of outer-city freeways also needs to be assessed more carefully in terms of the above objectives, particularly in view of their important structuring effects on urban growth.
- Transport terminals, particularly airports and seaports, are major structural features of cities. Therefore their location, type, scale and development should be consistent with the urban and regional development policies being pursued.
- Citizen participation must be encouraged in all aspects of transportation planning.
- The full range of road pricing policies (petrol tax, road tolls, peak hour tolls, parking fees, bus fares, CBD payroll tax, etc.) could be used to ensure that the true social and environmental costs are being met by the users of the road system.
- Finally, there is an apparent need to encourage the use of bicycles and walking by planning the cities for such activities.

An overriding aim should be to provide an integrated transport system that is able to cope adequately with the total urban transportation task while at the same time serving the goals of society and the individual. Such a system should also have the potential for development to meet future needs.

The inter-urban and inter-regional scale is of particular interest to urban and regional policy: the roads, rails, airways, waterways, pipelines, and terminal facilities of the nation. The increasing public concern at the high rate of consumption of energy in the form of fossil fuels is particularly relevant with regard to the planning of future inter-urban transportation links. Cars and trucks travelling at high speeds have particularly low efficiencies in energy utilisation, as do short-haul aircraft. The inherent advantage of rail transportation on the "line-haul" sections needs to be further developed. The location and development of the transportation system infrastructure, particularly terminals, and the integration of the various transport modes to ensure that, consistent with the requirements of urban and regional policies, they perform the task for which they are most suited, may have a significant effect in reducing the rate of consumption of energy and of other resources. However, greater gains are possible through the rationalisation of terminal facilities such as airports and seaports. This can be achieved through organisational uniformity so that transport terminals operate to national ends and on a continental scale. More importantly, it should not be overlooked that inter-urban transport facilities provide a means for implementing various urban and regional growth policies.

#### 4.5.b. Telecommunication Policies

Telecommunications affect urban and regional development in fundamental and complex ways, and it is important for an urban and regional strategy to develop ideas about ways and means of steering telecommunication systems towards agreed objectives.

Telecommunication and broadcasting systems are important services which are provided unevenly across the country, although the responsible authorities are pursuing the objective of maximum population coverage when they make decisions to extend services incrementally. It is important to treat the public communication system as a social facility which can be allocated among regions in different ways. In particular, as technological innovations become tested and developed in the community, it is important to allocate opportunities according to social need as well as economic viability.

Another objective for telecommunications is that the introduction of new services should be as compatible with the urban development process as possible. For example, if it were decided to proceed with the public provision of a broadband cable network to deliver a wide range of information and

entertainment services, based around cable television, then this is most sensibly provided in phase with new urban development. Savings incurred by such co-ordinated methods of introduction may outweigh the cost of providing a service in advance of demand. There is wide scope for developing multiple-utility corridors--"utilidors"--and the provision of communication facilities should be connected.

Telecommunication and broadcasting services should be organised to ensure maximum public access, especially with broadcast media, and that this public access be used to foster regional awareness, identity and action. This policy would mean, for example, support of lower-power broadcast facilities which provide public access, however parochial the programming might appear to be, to many regions.

New technology should be introduced to solve social problems and to promote social change, rather than develop as a ready-made solution looking for a problem to solve. Useful urban applications of communication technology include the delivery of health and medical services, community information centres, education and leisure activities, municipal services and urban planning.

Telecommunication facilities can provide incentives for forms of regional development held to be desirable. As mentioned above, advanced forms of technology and unusually good access to information can provide a stimulus to local decisions. On the other hand, the everyday telephone can be used as a regional development instrument, by encouraging tertiary institutions to relocate to locations favoured by policy. While telephone charges are generally a small part of a firm's operating expenses, regardless of whether in the country or city, the necessity to rely on long-distance calls creates a psychological barrier and probably a sales barrier. However, in the provision of telecommunication incentives to growth centres, Area Improvement Regions and other locations, it is desirable that subsidies be made explicit and not be met by the telecommunication provision agency.

Telecommunication systems have a structuring effect on urban and regional development, both within cities and between cities. Within cities, the complex relationship between transport and telecommunication is changing in the direction of favouring a limited degree of transport-communication substitution but also a growth in certain types of trips. At a larger scale, the shape of the national telecommunication system will influence the pattern of urban development, and vice versa. Therefore an important policy should be to integrate the long term plans of the providers of communication service--the National Telecommunication Plan is a good example--with the formulation of a national urban and regional development strategy.

Finally, it is important that the activities of communication-based activities, especially telecommunication employees, should be located in such a way as to generate linkages which generate employment and land use patterns supporting an urban strategy.

#### 4.6. Community Processes

Many government objectives are concerned with changing the nature of community processes, the ways in which decisions are made, rather than using past methods of decision making for new purposes.

##### 4.6.a. Citizen Participation

The promotion of citizen participation in urban and regional planning processes involves a concerted effort at all levels of government. Such a commitment initially involves conflict between citizen and administrative groups since what is being changed is the process of decision making. The groups will differ over the priority assigned to the value of participation, over perceptions about the situation, of how time may best be used in arriving at good decisions and over the extent to which power is to be shared between citizen and governing authorities. These problems are very real ones and to those who wish to go beyond a rhetoric of participation to a genuine program the possibility of these conflicts leading to short-term inefficiency have to be accepted. This is particularly relevant if the objective of participation is related to the overall considerations of equity that guide so many Australian government initiatives. Simply achieving open government through adopting participative measures could merely favour the more powerful and articulate groups in society.

##### 4.6.b. Access to Information

The process of participation that involves sharing decision making between various groups is critically dependent upon all the groups having equal access to information. Various ways of guaranteeing such access through legislation or alteration of legislation have been suggested. A legal framework which safeguarded all citizen rights to information is a necessary framework but by itself does not exhaust the possibilities. In particular the question of access alone, like open government, does not guarantee that the chief benefit will accrue to the less powerful groups in the society. Rather special efforts will need to be made to improve the access of the less powerful and unorganised groups in society to information resources.

##### 4.6.c. Planning

Processes so far considered--those of participation and access to information--have mainly been concerned with development in terms of enlarging people's areas of action as a means of enhancing community development. When we consider planning it is assumed that these same objectives are operative but here attention is focussed more on the technical aspects of urban and regional development.

The structure of planning in Australia differs in many ways. One of the major objectives of a national strategy should be to improve the processes of planning throughout the nation and to ensure that these processes are available at all levels throughout the nation. The successful achievement of long-range urban and regional objectives depends on the development of economic and social planning capabilities. As well as widening the nature of planning concern at a national level, active assistance should be made available to encourage certain types of planning and initiatives taken in three areas at other levels, particularly state, metropolitan and regional levels. In particular, the importance of the regional level should be emphasised. At a local level many of the present methods of town and country planning leave much to be desired.

Furthermore it is important to foster innovation and experimentation with methods of urban and regional planning, encouraging a diversity of approaches perhaps according to particular needs of regions, cities or communities. Such an objective requires the promotion of research in the urban and regional development field and an integral part of a national strategy ought to be an ongoing program of research enabling an understanding of the processes of urban and regional change.

#### 4.6.d. Government

It cannot be emphasised too strongly that the encouragement of co-operative federal/state approaches where there are joint responsibilities and initiatives in urban and regional affairs is seen as crucial to the national strategy. Government processes designed to achieve community objectives are unlikely to be successful without such a co-operative approach.

### V. Implementation of Policies

The Ministry of Urban and Regional Development has two sets of instruments with which to implement the policies discussed above: administration of its own programs; and the policy co-ordination of other public and private sector activities. Although as shown in Table 3 the Ministry will spend around A\$434 million during 1974/75, in the longer run it will be the ability to influence patterns of expenditure in such areas as housing which will be more important.

Apart from the formulation of a national strategy for urban and regional development, discussed throughout this paper, the Department is developing a strong resource planning capability and number of resource allocation instruments, the most important of which is the development of an urban and regional budget.

Table 3. URD ministry programs: summary.  
(\$ million)

Programs	1972-73	1973-74	1974-75 budget estimate	1975-76 forward est. <sup>1</sup>	1976-77 forward est. <sup>1</sup>
Land Commission		8.0	56.9	165.0	185.0
Sewerage		27.9	104.7	112.0	119.0
Urban water supply			4.4	8.5	13.5
Growth centres - Canberra <sup>2</sup>	77.8	104.1	140.0	166.2	187.1
Others		9.2	82.7	133.9	167.3
Area improvement		7.4	14.1	21.3	24.3
Urban rehabilita- tion		5.3	16.8	10.5	10.5
Regional organi- sations assis- tance			0.3	0.4	0.6
National estate	0.1	0.8	8.0	15.0	20.0
General admini- stration n.e.c.	1.4	4.4	5.7	7.6	7.6
<b>Total URD Ministry   Programs</b>	<b>79.3</b>	<b>167.1</b>	<b>433.6</b>	<b>640.4</b>	<b>734.9</b>

<sup>1</sup>Excluding imputed advances for capitalised interest.

<sup>2</sup>Including outlays of the National Capital Development Commission on national works, and Australian government offices located in the Australian Capital Territory.

Source: Urban and Regional Development 1974/75, Budget Paper No. 8. Circulated by Tom Uren, MP, Minister for Urban and Regional Development.

### 5.1. Urban Economic and Resource Planning

Resource planning work is primarily concerned with evaluating and comparing the demands for urban and regional development with the resources which might be available for such purposes. These resources include building materials, transport equipment, and, most importantly, the services provided by the building and construction industry.

An indication of the demand for resources by the public sector for urban and regional development, both in terms of the type of resources and the location of this demand, will arise

initially from the strategy and more directly from the expression of this strategy through the urban and regional budget system. The evaluation and comparison of these demands with available resources should not be seen merely as a forecasting exercise seeking to identify possible incompatibilities between demands and supply possibilities. The planning involves the evaluation of the competing claims of urban and non-urban uses of resources; the consideration of the extent to which changes in the balance of urban programs, or rescheduling parts of those programs, might release resources; and the extent to which the available supply of resources can be improved by training programs and the early warning of future needs to manufacturers of materials and contractors. In this connection it is important to recognise that while it may not be possible to do very much to influence the supply possibilities in the short-run, in the medium-term of five years much more is possible. This, combined with the size and long gestation period of many urban development programs, means that it will be desirable to ensure that attention is given to the resource implications of government policies and programs in the medium and longer term.

At the same time efforts are being made to uncover possible constraints to urban development, such as might arise through a shortage of water, through limited capacity in the construction industry, in the supply of various types of skilled manpower, or through the geographical immobility of resources. The benefit of long-term resource planning lies in its ability to indicate where there is a danger of long-run supply problems or scarcity developing for particular resources in certain regions.

## 5.2. Resource Allocation

Resource allocation activities cover a wide range of economic and financial matters, but first priority has been given to the formulation of an *urban and regional budget system* which will provide a framework for co-ordinating urban and regional expenditures by federal departments, state and local governing bodies. All levels of government in Australia carry out functions which have a spatial component and which involve substantial expenditures and commitment of resources. The Australian government is involved in this process because it is responsible for the provision of nation-wide services (e.g. communications, air transport), because it provides financial assistance to the states under Section 96 of the Constitution, and because it also influences the flow of funds for public investment purposes through Loan Council decisions and through its overall responsibility for economic management. The Australian government has also undertaken programs that will progressively improve urban services already provided and encourage the more efficient provision of a better future urban environment.



A fully-fledged urban and regional budget system will be based on a statistical system capable of showing a complete dissection of public authority expenditure in Australia, and would be complemented by a set of performance measures showing the output (usually expressed in physical terms) produced in respect of each item of expenditure.

The long-term intention of establishing the urban and regional budget is to progressively move towards what amounts to a planning-programming-budgeting system (PPBS) of decision making and operation with respect to public expenditure in its spatial aspects, but with a number of innovations designed to overcome problems which have arisen with other PPB systems. The immediate purpose of the urban and regional budget will be to focus on the expenditure on, and financing of, important functions of all levels of government. This will be done to estimate the future requirements of current programs of urban and regional development, the demands on resources and finance of future programs. Detailed study of the information concerning the financing of urban and regional development programs will concentrate primarily on the equity and income distribution implications of different financing proposals.

Because the bulk of capital expenditure in urban and regional development is the direct responsibility of state governments, and their authorities, close co-operation is essential between different levels of government in developing an urban and regional budget system. Initially also, it will be more feasible to obtain forward estimates of selected capital expenditures on a state-wide basis rather than trying to work with information based on a regional dissection of expenditure.

The long-term objectives of the urban and regional budget system may be stated as the provision of a decision-making framework which may be used:

- to improve decision making, the allocation of resources and the distribution of welfare within the community by attention to the spatial pattern of public sector economic activity;
- to assist in determining the resources required over time in order to further the objectives of the Australian government;
- to assess the levels of resources which might reasonably be made available and to ensure, as far as possible, that the programs are commensurate with those resources;
- to promote understanding of the processes of urban and regional development, and of the involvement of the three levels of government in it, and to encourage wider public involvement in these processes.

The means by which these two areas of work translate the strategy into action need not be elaborated here. They include the usual apparatus of committees of ministers, inter-departmental committees, intergovernmental arrangements, research and publication, government fiscal machinery, and so on. Some of the more important programs are outlined below.

### 5.3. The Growth Centres Program

The Cities Commission is primarily responsible for the initiation of this program, with development corporations progressively assuming greater responsibility. The program has two basic aims:

- 1) through Australian government initiatives, to sponsor the rapid growth of a small number of regional centres to a size where they offer an attractive alternative to the present metropolitan regions, thereby assisting to ease the growth pressures in those regions, and providing a wider choice of life styles for Australians; and
- 2) to provide for comprehensive planning and development of selected areas adjoining the metropolitan regions to ensure that inevitable metropolitan expansion is assisted and guided into desirable locations, which can be developed as cities in their own right.

Several criteria for the choice of regions for growth centres have been developed to ensure that new cities are as self-supporting as possible:

- potential for becoming a dominant regional service centre;
- potential for the economic growth of basic industries;
- satisfactory physical resource base for city development;
- favourable environmental impact on the region;
- access to existing metropolitan areas;
- potential for offering new opportunities for a variety of life-styles;
- compatibility with existing national infrastructure; and
- political consensus on the region selected.

The Australian government offers financial assistance to state governments for the purposes of land acquisition, developmental works, municipal works and institutional development relating to twelve areas nominated by the Cities Commission as potential growth centres. In general, a number of terms and conditions were accepted by the Australian government as necessary for expenditure relating to new cities. These included: the need for a Development Corporation or an equivalent agency to manage each project; public acquisition of the major part of the land to be developed; application of land price stabilization; the use of loans to fund revenue-producing lands (areas to be developed), and the use of grants on a matching basis for non-revenue-producing lands (reserves); and the development of land tenure principles in the light of the findings of the Commission of Inquiry into Land Tenures.

The Albury-Wodonga Development Corporation is the first institution to be created under the New Cities program. The development of a viable growth centres program involving such centres as Albury-Wodonga, Bathurst-Orange, Sydney South West sector, Gosford-Wyong, Geelong, Townsville, Monarto, and possibly a number of other centres under investigation, could accommodate up to 32 percent of Australia's population increase between 1971 and 2000. In addition to such new growth centres, it should be emphasised that the national capital, Canberra, is at present by far the most important growth centre according to its current absorption of 6 percent of Australia's annual population increase.

#### 5.4. Urban Rehabilitation Program

The Department is developing an inner city strategy for the major cities as part of the formulation of strategies for controlling metropolitan development in the longer term and directing it towards achieving social, not merely private, ends. However, it has been considered important to explore ways of dealing with the worst features of the problem in the short term.

Three opportunities have been given to the Australian government to demonstrate what can be done--two in Sydney and one in Melbourne. In all three cases the government's action has been taken with the following specific objectives in mind:

- to preserve accommodation in the inner suburbs for low-income households;
- to achieve a suitably broad socio-economic mixture in the population of the areas affected;
- to preserve the historic landscape qualities of the older inner suburbs;

- to foster community participation in the planning, development and management of neighbourhoods; and
- to test the suitability of a particular approach to coping with pressures for redevelopment, for possible extension to other areas.

The three opportunities are:

- i) *Emerald Hill*: This year, the Australian government will lend money to the Victorian government for the purchase of 2.1 hectares of land in South Melbourne. The area consists mainly of shops and housing and is owned by the Melbourne Family Care Organisation. In the absence of public acquisition the area would probably have been redeveloped for commercial purposes, because of its proximity to the City of Melbourne. Public acquisition is intended to ensure that the area is retained predominantly for housing and that a piece of historical townscape is preserved.

Rehabilitation of properties in the area will be carried out by the Victorian Urban Renewal Authority using existing Commonwealth-State Housing Agreement finance. A liaison committee, consisting of representatives of the Australian and Victorian governments, and the South Melbourne City Council will be formed to oversee the urban renewal process.

The Emerald Hill project is illustrative of how successful co-operation between the three levels of government can achieve worthwhile action consonant with urban and regional development objectives.

- ii) *Glebe*: The project involves Australian government acquisition of 700 dwellings on nineteen hectares of land in Glebe from the Anglican Church for rehabilitation of dwellings and retention of a large proportion of the dwellings as low income public housing.
- iii) *Woolloomooloo*: The Australian government is currently in the first stages of negotiation with the NSW government and the City of Sydney Council in Woolloomooloo.

All three projects are aimed at the preservation and enhancement of certain places for low-income households to live, as well as the more advantaged socio-economic sections of the population. In addition, it is hoped that the historical landscape qualities of the old-timer suburbs can be preserved and that the redevelopment process occurs with increased participation at all stages: planning, development and management of neighbourhoods.

### 5.5. Area Improvement Program

A number of Area Improvement Programs in operation and planned are designed to assist certain regions with significant service deficiencies, problems of rapid urban growth, and outstanding urban development and co-ordination opportunities. Resources are provided for a variety of functions not covered by single function programs elsewhere, but a strong emphasis is placed on co-ordinating existing Australian government programs.

These programs seek to involve all three levels of government and community groups in a co-operative approach to problems of deficiency and development within certain areas with severe service deficiencies, problems of rapid urban growth, and particular development opportunities. During the first year of operation the programs have been confined to the western regions of Sydney and Melbourne and an assessment has been made of the results of this first year with a view to determining future directions including the possible expansion of such programs to other regions. The objectives of the program are:

- to identify the principal deficiencies, pressures and assets of a chosen region and the needs of its inhabitants as a basis for selecting priorities for remedial action by governments and complementary activity by the community and the private sector;
- to encourage the formulation by all three levels of government of clear statements of objectives and priorities for the region, and to assist planning and public evaluation of conditions in the region;
- to encourage private investment and development programs in accordance with the aims of public policies;
- to assist in formulating a means of planning, programming and budgeting at the regional scale, aimed at the achievement of objectives agreed upon by the major groups involved;
- to allow local government to participate more effectively in the development and administration of a region, by improving its resources, thereby making it a more effective partner with state and national government in the three-tier system;
- to assist the establishment of an effective means for all three levels of government to act with the residents, in co-ordinated programs for the region's advancement;

- to involve the people of the region in making decisions which affect their patterns of daily living;
- to learn useful lessons in the implementation of policy and the investment of public funds for application through possible Area Improvement Programs or other programs elsewhere.

The type of project for which money is granted includes:

- projects and studies that will further strategic urban and environmental planning;
- acquisition of park lands and open space;
- landscape design and construction, including tree planting and related activities;
- municipal drainage programs;
- improvements to waterways and their environs, particularly where such waterways are important recreational resources to the people of the region (or are potentially so), or are environmentally threatened;
- planning management and provision of solid waste disposal systems;
- other environmental protection;
- the acquisition of land and buildings, or assistance in the building of cultural and other community facilities;
- information resources and services to collect and disseminate information about the region;
- support for administrative services to the regional organisation of local councils;
- public education activities on urban issues.

As with other regional programs, not all regions can be chosen. Criteria for the selection of regions are:

- current or anticipated rapid urban growth where urban infrastructure and community services cannot keep pace;
- evidence of deficiencies in urban infrastructure and community services, or an imbalance of opportunities;
- special impact of Australian government activities;
- significance to strategic planning.

The Minister for Urban and Regional Development has announced that the following regions are likely to be chosen:

- Western Region of Sydney, New South Wales
- Southern Sydney, NSW,
- South-eastern NSW,
- Hunter, NSW,
- Illawarra, NSW,
- Western Melbourne, Victoria
- Northern Melbourne, Vic.,
- North-western Melbourne, Vic.,
- Outer Eastern Melbourne, Vic.,
- Moreton, Queensland
- Fitzroy-Gladstone, Qld.,
- Northern Spencer Gulf, South Australia
- Perth (part), Western Australia

#### 5.6. Regionalisation Programs

The government recognises the existence of social and economic problems that extend over more than one local government area, but are not as extensive as whole states, and wishes to encourage the formation of regional groupings which are co-extensive with the areas in which such problems occur.

The Grants Commission has been revised to enable local government bodies to have access to general revenue grants provided by the Australian government. For this purpose, local government bodies have come together to form regional organisations which, when approved by the Minister for Urban and Regional Development, are entitled to make submissions for equalisation grants for local governing bodies in each region. The general aim of this extension of the Grants Commission's role is the reduction of regional--and local--disparities in the standards of local government equity. More specifically, the objectives of the Grants Commission's provision of special assistance for local government services are:

- the provision of assistance so as to promote equalisation of the fiscal capacity of local governments considered both individually and in respect of their collective activities through regional organisations; and

- the fostering of co-operative action by local government through designated regional consortia.

Unlike other regional programs, eligibility for access to the Grants Commission extends to all regions outside the Australian Territories. To date, seventy-nine regions have been delimited across Australia, and approval granted to regional organisations to enable them to make submissions to the Grants Commission. These regions, re-negotiated and adjusted, are shown in Figure 4. In order to encourage local governments to tackle regional problems through co-operation with one another via the medium of regional organisations, and to encourage regional organisations to play an active role in assessing regional needs and making regional submissions to appropriate authorities, regional organisations have received further assistance for secretarial and other purposes.

#### 5.7. Land Commissions

The Australian government is negotiating with the states on the establishment of Land Commissions, or Urban Land Councils working within the existing administrative framework, for the assembly, management and disposal of land required for urban development in growth areas particularly on the fringes of existing major urban centres. It is anticipated that, in general, these agencies will also be responsible for land assembly in growth centres identified by the state governments in consultation with the Australian government. The Land Commissions will be state agencies on which there will be Australian government representation. An Australian Land Commission will be established to consider the level of financial assistance to be made available to the various state bodies for land acquisition, servicing and development of land acquired, urban renewal and redevelopment. The Commission is to report on the progress of programs being undertaken by the state bodies.

As a prerequisite to the provision of financial assistance to the states, the Australian government has sought the exchange of Statements of Principle on the operation of Land Commissions or Urban Land Councils setting out the objectives and policies agreed upon between two governments.

Similarly, Statements of Principle on the introduction of land price stabilisation legislation will be exchanged with the states. Legislation will reduce that component of land values caused by an expectation of future urban development on change of use. It provides landholders with a right to nominate an acquisition date and contains provisions for early acquisition in situations of financial hardship. Further, the legislation will provide for a factor designed to preserve the value of the land from the date of designation of a particular



area to the date of acquisition. The objectives of the Land Commissions are:

- to facilitate the equitable and efficient planning and development of new urban areas;
- to make available adequate land for residential and associated uses;
- to facilitate the renewal and development of existing urban areas;
- to retain in community ownership as far as is possible the unearned increment in value arising from major land use planning decisions.

#### 5.8. National Sewerage Program

The primary objective of the National Sewerage Program is to provide a sewerage service in the shortest possible time to the estimated 1.5 million people in the major Australian cities who are now living in houses not connected to a sewerage system. This involves the financing of sewerage reticulation in neighbourhoods not at present served. The Australian government, however, also finances the upgrading of sewerage treatment facilities, main services and pumping stations, so that they will be both able to cope with expected increases in population and prevent the pollution that sewerage effluent causes to city streams and beaches. In so doing the program will ensure that all new subdivisions will have adequate and environmentally acceptable sewerage treatment facilities and that all houses being built in 1982 will be connected immediately to a complete sewerage system.

Table 4 indicates the number of unsewered dwellings and the number of people living in those dwellings. However, the size of the problem is only partially illustrated by the numbers of people involved: account has also to be taken of the large sewer mains, pumping stations and treatment plants that will be necessary to cope with these people as well as the expected continued population growth. Major new trunk sewers and treatment plants are required in Melbourne, Brisbane, Hobart, Launceston and the Gold Coast. On present estimates it will take about ten years to remove the sewerage backlog, depending on the availability of funds and resources in the years ahead. It is hoped to achieve a reduction in the numbers of people without sewerage to about 180,000 each year during the first six years of the program and about 200,000 each year during the last four years. It should be stressed that the rate of achievement must be dependent on the priorities determined on the use of available funds in the years ahead.

Table 4. Backlog of unsewered dwellings and population in principal urban areas in 1973-74.

Urban Areas	Unsewered Dwellings		Unsewered Population	
	No. (thousands)	Proportion of all dwellings (%)	No. (millions)	Proportion of all population (%)
Sydney	135	14.1	0.420	13.6
Melbourne	125	17.0	0.420	17.4
Brisbane	43	16.0	0.119	13.0
Adelaide	14	4.8	0.025	2.8
Perth	102	40.6	0.352	46.7
Newcastle	16	14.7	0.064	17.6
Hobart	2	4.8	0.017	11.0
Gold Coast	22	57.0	0.045	56.2
Launceston	0.9	4.3	0.002	3.2
Townsville	2.3	10.9	0.008	10.3
TOTAL	462.2	17.0	1.472	17.0

#### 5.9. The National Estate

The National Estate is considered to include:

- national parks and nature reserves;
- buildings and structures of historical, architectural or other importance, areas of special scientific interest;
- areas of special archaeological interest;
- the coastline;
- inland waters;
- urban parks, gardens and recreation areas;
- extra-urban recreation resources; and
- key landscapes.

The broad objectives of the program are to preserve and enhance land area buildings of historical, aesthetic, environmental or scientific interest as a heritage for the Australian

people. The objectives of the National Estate Program are discussed at length in a published report of the Task Force on the National Estate.

In conjunction with state, local and private bodies the following activities are being undertaken within broad policy guidelines for urban and regional development:

- the acquisition of land and buildings;
- the restoration, preservation and enhancement of properties;
- studies relating to such matters as the preservation of historic buildings, townscapes and landscapes, land use studies, architecture and other matters relating to the National Estate;
- direct grants for administrative expenses to National Trusts.

#### 5.10. Information Programs

Lasting changes in urban affairs need to be stimulated and sustained by changes in attitudes and understanding. The Department is committed to a major attempt to expand public awareness of urban and environmental issues and to uplift the level of public debate. Accordingly, its communication and community relations policies have been assigned high priority.

Specific projects and activities in progress, or scheduled to start shortly, include:

- publication of a monthly news magazine, *Community*, as a vehicle for news and discussion among a wide range of government agencies, developers, community groups, academics, etc.;
- convening of a series of seminars on major policy issues relating to national urban strategy, land tenure, telecommunications, etc.;
- planning for the production of a colour television series to explain and foster the idea of the National Estate;
- co-operation with the Curriculum Development Centre and other educational authorities on the development of films, audio-visual packages, and other educational material for use in pre-schools, primary and secondary schools;

- commissioning a series of *Urban Papers* to provide a forum for substantial contributions to the study of urban and regional issues; among the first to appear will be a paper on rural retreats, and a symposium on citizen participation in planning;
- establishment, in collaboration with the National Library, of a major library and information service on urban affairs to serve not only the Australian government but other interested individuals and groups.

Through the preparation of a variety of publications, the use of all appropriate media, and the development of an active community relations program, the Department is fulfilling its commitment to involve the nation at large in the effort to ameliorate urban problems.

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