

The role of planning and infrastructure to ensure the prosperity of Perth into the future

It is well understood that Western Australia, through our mineral resources industry, will feature prominently in the nation's future. The State is attracting people from all over the world to work and live and many initiatives are already in place to accommodate this predicted future population growth.

Western Australia's healthy resources industry means that we are doing business on a global scale, as well as attracting people from all over the world to base themselves in the State. Much of our population is more transient, something that drives the need for more diverse and activated communities.

In order to reverse this trend, the Western Australian State Government has been putting a number of measures in place that will cater for our future population growth and which will allow Perth to become a well regarded, globally competitive city well into the future.

Last year saw the launch of Directions 2031 and Beyond which identifies the path forward for Perth's metropolitan area and Peel regions. It outlines the planning policies, strategies and plans we need to embrace to successfully accommodate growth projections that will see our State reach a population of 3.5 million people by 2036.

To accommodate population growth for the State as a whole, the State Planning Strategy document has also been developed during the past 18 months in consultation with all levels of Government and interagency working groups. Like Directions 2031 and Beyond, this is a vision to 2050 is a bold and new strategic approach to the planning and development of our State.

Directions 2031 and Beyond is now being implemented through both State and local government and provides a framework that shows how we provide for a growing population whilst ensuring that we live within available land, water and energy resources. Through this initiative, a connected city pattern of growth is pursued by setting infill and Greenfield housing density targets, and striving for employment self-sufficiency within sub-regions.

For any planning vision to be successful, it must be in tune with the aspirations of both residents and businesses, and involve a coordinated approach across Government – mechanisms which I believe are already in place to carry this State forward.

The State Government's vision is for a metropolitan region with much greater urban density and amenity – housing choice, greater use of public transport, increased proximity between home and work, and more activated and vibrant centres and to be still ranked one of the world's most liveable cities.

We also need to be focussed on what patterns of land use and transport will best support a connected city model of growth and what areas we need to protect so that we retain high quality and natural environments and resources and infrastructure that is needed to support our growth.

Private sector and government partnership is integral to achieving housing targets along with supportive infrastructure and will underpin a long-term approach to the provision of infrastructure in an economically sustainable way.

This spatial planning framework is a significant evolution in Western Australian metropolitan strategic planning as it:

- introduces housing targets as a demand forecast scenario to monitor and promote a better balance between Greenfield and infill development;
- links urban land use planning and population growth to the creation of employment through the introduction of employment self-sufficiency targets;
- establishes the need for an ongoing land supply management program to strategically plan for the land and housing supply needs of long term residential growth alongside the Urban Development Program; and
- anticipates a city of 3.5 million people and the emergence of primary centres as the next generation of metropolitan major cities in WA.

The next step for all levels of Government is to implement the plan by developing policies and initiatives to:

- enable local government to plan for and implement activity centres and develop their capacity to directly undertake development projects or joint ventures to achieve urban regeneration objectives.
- collaborate with the private sector to identify ways to overcome barriers to infill and higher density development;
- develop centres to be economically sustainable;
- increase community awareness of the benefits of the Directions 2031 vision in creating housing diversity and choice; and, scenario planning how Perth could grow to accommodate a potential doubling of the current population to a city of 3.5 million people - whenever that might occur.

It is not just about housing, but also scoping out a vision for what our major centres and towns will look like. The Activity Centres Policy which was two years in the making and launched last year, defines areas that vary in scale, composition and character but, in essence, are commercial focal points which include offices, retail, higher-density housing, entertainment, community, education and medical services.

This policy represents a more flexible regulatory approach which will encourage more investment in the commercial, higher density housing and retail sectors. There is a lot of interest and activity in the industry pursuing these opportunities.

Overall levels of employment self sufficiency can also be enhanced through well-designed movement systems, protection of employment land and supporting commercial uses with appropriate levels of residential density. We look forward to the release of the Public Transport Strategy to support these initiatives.

The draft Central Sub-regional strategy too fits under the Directions 2031 and Beyond strategy and contains information on housing demand and supply data including targets that will be reviewed and updated based on information provided in the public submissions.

In combination with the issues arising from the submissions on the outer sub-regional strategy the Department of Planning is now undertaking further strategic planning to:

- identify what the future shape and form of Perth and Peel might be as we moved toward a city of 3.5 million people;
- provide a clear and transparent methodology for the estimation and distribution of housing targets by local government area as a tool to monitor growth - this is likely to take the form of a five year target that is annually reviewed ;
- prioritise the preparation of sub-regional structure plans for the outer sub-regions and a spatial plan for the central sub-region
- progress the Directions 2031 activity centres planning program as a key implementation framework to guide State Government effort and investment decisions.

By 2026, the Australian Bureau of Statistics predicts that 30 per cent of Australian households will contain just one person and the average household will reduce to 2.2 or 2.3 people from a level of 2.6 per dwelling. This will fundamentally change the structure of Australian society. New family support networks will emerge, as will new attitudes relating to wealth, investment and mobility.

We are already seeing more than 50 per cent of households within the Perth metropolitan area consist of one or two people. To accommodate this trend, some developers are creating innovative designs, comprising smaller footprint, stylish homes.

This is a welcome development in the housing market, and is in line with the State Government's policy initiatives to cater for predicted population growth. It will also make housing more affordable to new investors entering the property market while capital return on investment is still growing at a steady rate.

This growth is being enhanced by the Planning Reform Bill which was passed in August last year. This has been a real milestone and a crucial tool in the State Government's efforts to streamline the planning approvals process and strengthen State and regional planning across Western Australia.

It has been designed to make the planning system more transparent, consistent and efficient and will encourage people to invest in WA. What we need is a level-headed approach to land development in the area.

The State Government has long recognised the strong community enthusiasm for a dedicated vision and leadership to guide the future of Perth city. Among the things that we now look to our city for, is a place that captures the essence of a Western Australian identity as we project ourselves into an ever more globalised world.

Communicating with local government and the private sector means we can capitalise on the potential to make Western Australia even more visible on a national and international scale, and for our capital city to become a dynamic, active and multi-layered place that offers far more than just a location for business and administration.

There are major developments revitalising Perth CBD with a number of key projects taking shape by the State Government including the Perth City Link, Perth Arena,

and the Perth Waterfront project which will feature prominently in this overall city vision and presents as the future face of Perth.

The Perth Waterfront project will provide for 1700 residential apartments, hotels and serviced apartments, 150,000 metres square of office space and 39,000 metres square of retail space which will provide an attractive business environment and will also create significant investment into the tourism, retail and business sectors.

The State Government will lead the delivery of public infrastructure and has already committed \$440 million. It has also committed to partnering with private industry to deliver this \$2.6 billion project which will be getting underway in early 2012 with the main works complete by the end of 2014.

The incentives for changing the scope of Perth and the metropolitan areas will be further highlighted in the draft Capital City Planning framework. These include:

- *Global awareness*: Tourism, migration, trade and education connect and integrate us with the rest of the world.
- *A shift in global power*: with China and India becoming world economic powers, there will be an increased focus on the Indian Ocean rim for trade, immigration, tourism and cultural ties. Australia's growing integration with its neighbours is likely to see an increasing role for Perth as a major hub of this region.
- *Increased trade*: Recent Asian economic growth has resulted in a fast-growing demand for the natural resources of Western Australia and this is likely to continue for some time. As a consequence, Perth is becoming one of the global headquarters for the energy and mining sectors.
- *Population growth*: Through a reduction of the constraints on movement, globalisation has assisted in the ability of people to effortlessly relocate from one place to the next, whether nationally or internationally or from rural places to cities.
- *Creativity as an economic force*: There is increasing recognition of the value of creativity as a resource and a commodity in its own right, and the ways it can add value to our use of land, labour, raw materials and market access.

The rising popularity of the City of Perth as a place to live is largely attributed to younger people seeking a more 'urban' lifestyle and an older demographic who no longer have a need for a larger family home and who also may be attracted to an alternative to a suburban lifestyle.

Perth is well on its way to achieving this through the policies of the State Government, through major city projects like the Capital City Planning Framework and the Perth Waterfront to overarching metropolitan policies such as Directions 2031 and Beyond, the Activity Centres policy and the sub-regional strategies - creating a cohesive plan for the whole metropolitan area and Peel regions.

The State Government has initiated some strong policies and frameworks to take Western Australia to accommodate an increase in population growth which is already occurring due to the opportunities the resources sector in particular is presenting.

Western Australia therefore needs a city that is internationally focussed and attracts business from all over the world. With a buoyant economy and continual cooperation

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and communication with local governments, the private sector and other stakeholder groups, this State is in a very strong position for the future.

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