



THE MCKELL INSTITUTE

# Even Growth

PLANNING FOR A GROWING SYDNEY

COMMISSIONED BY UNIONS NSW

**Unions NSW**

FEBRUARY 2019

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# EXECUTIVE SUMMARY

Sydney is Australia's economic and cultural heart. 5.1 million people, or around one-fifth of the national population call Sydney home, and enjoy a living standard that – despite all the city's challenges – remains high by global standards.

By mid-century, Sydney will likely be home to more than 8 million people. This considerable population growth presents an enormous opportunity for Sydney, but comes with an obvious question: how will the city cater for an extra 3 million residents?

This report examines Sydney's population growth, before offering seven recommendations for managing Sydney's growth in an equitable and sustainable way.

First, it recommends major development projects be paired with major infrastructure projects where possible. For too long, Sydney has seen population growth outstrip vital services. Before major developments are approved, an evaluation of existing and planned infrastructure must be undertaken.

Second, this report argues for a re-design of the Greater Sydney Commission's housing targets. Currently the Commission's plan orients future growth towards existing high-growth areas, while lower growth, lower density regions are expected to see fewer developments. This should be amended to correct the imbalance.

Third, it is argued that the Medium Density Code be revised. In its current form, the code allows for urban intensification in existing high-growth LGAs while lower-growth LGAs effectively opt-out. This should be addressed to facilitate more even urban intensification across Sydney.

Fourth, it is recommended that Inclusionary Planning is made mandatory. Many projects demonstrate inclusive planning, which sees major developments include affordable housing options. Often, however, inclusionary planning is voluntary. Mandating inclusionary planning would likely increase affordable housing stock across Sydney.

Fifth, this report recommends revising the *Affordable Rental Housing Act (2009)*. Currently the Act permits LGAs to opt out of higher density development. Further, developments under the Act require the inclusion of affordable housing stock for only a 10 year period. This should be extended to increase the availability of affordable housing stock.

Sixth, this report argues for an increase in Government investment in affordable housing stock and build-to-rent initiatives, particularly in low-density areas in the South and North Planning districts.

And finally, it is recommended that the NSW Government develop a 'liveability compact' for Sydney. Creating a liveable city requires more than just pairing infrastructure with population growth. The NSW Government should work towards the creation of a compact that allows a range of key determinants to be tracked and monitored, with the intent to create a fairer, more liveable and more prosperous Sydney.

# FOREWORD

Sydney's population will continue to grow throughout this century, reaching up to 9 million people by 2060. While the growth poses a challenge for Sydney's decision makers, it's also an opportunity to better distribute the population across the Greater Sydney region.



Sydney's population growth has not been managed as equitably as it could have been. It is a city where services are strained, housing is out of reach, even for those on average incomes, and urban intensification is felt most acutely in lower-income areas.

Western Sydney, in particular, has seen a disproportionate rate of growth. In the past decade Camden has grown by 40 per cent, Parramatta by 24 per cent and Blacktown, Liverpool and Cumberland have all grown by 20 per cent. Meanwhile the Northern Beaches have seen 12 per cent growth, Mosman 8.4 per cent and Hunters Hill just 6.8 per cent.

The uneven distribution of a growing population has created a divided city. The Committee for Sydney argues "Sydney remains divided along geographical lines [...] the North West and South-West Growth Areas on the urban fringe are experiencing significant growth while other areas

in the north and east appear to have latent and underutilised capacity for additional housing and density." This demonstrates a planning failure, and must be corrected as Sydney continues to grow.

A more equitable city with a fairer distribution of population growth is good for everyone. It allows key workers – like nurses, emergency services, teachers, and social workers – to live in the communities they service. It minimizes social exclusion and 'opportunity hoarding', which stops certain sections of society from getting ahead while allowing others to thrive. It can reduce lengthy commutes. Ultimately, a better planned city adds to the dynamism and liveability of Sydney.

The consequences of inaction are significant. Without change, Sydney risks losing its egalitarian appeal – to become a city of haves and have nots. Too often, migration becomes a scapegoat for the challenges Sydney is facing. Without action, the politically convenient response to poor planning is to argue for less migration – a decision that would ultimately undermine Australia's living standards, and ensure low-growth jurisdictions outside of Sydney don't receive the residents they need.

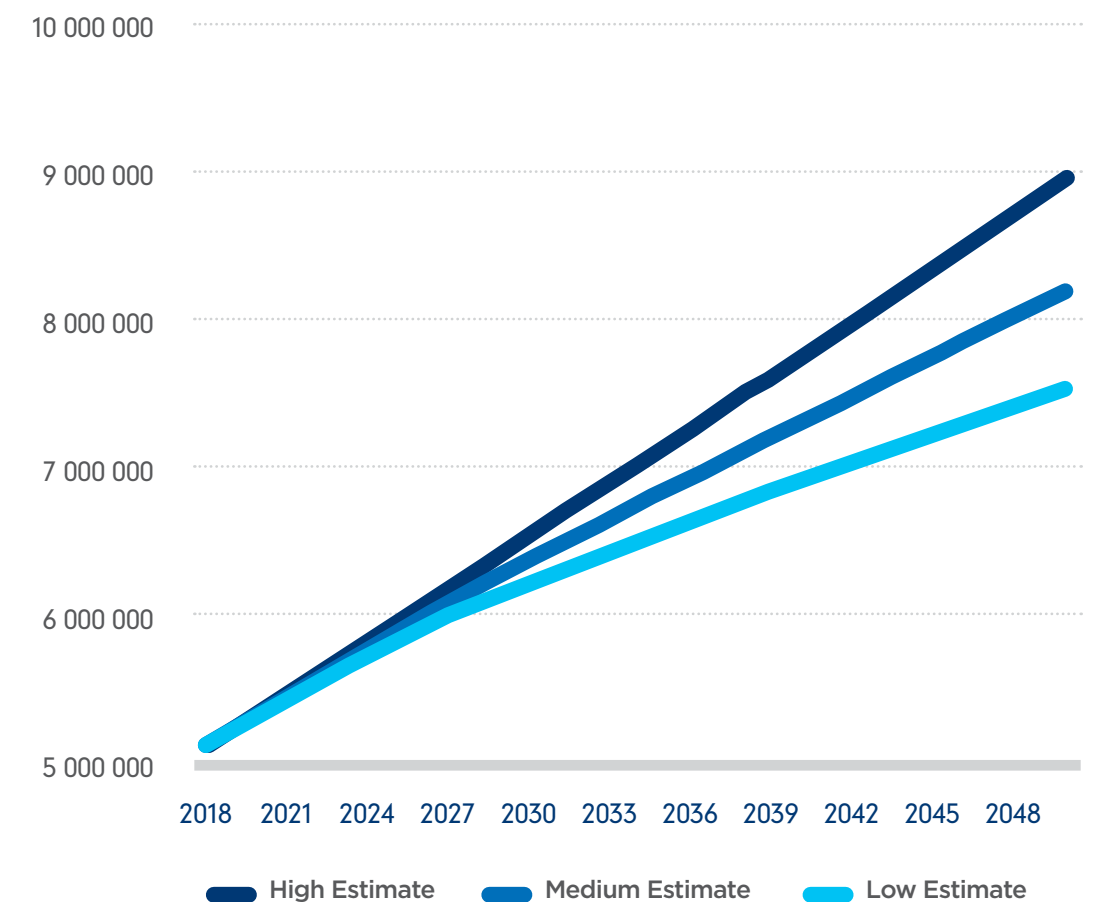
The NSW Government has to make a choice between doubling down on a growth model that has seen Sydney become a more difficult and less fair place to live and raise a family, or correct course to ensure the Sydney of tomorrow is liveable for every one of its residents.





## THE NATURE OF SYDNEY'S POPULATION GROWTH

FIGURE 1: SYDNEY'S FORECAST POPULATION GROWTH.



Source: ABS Cat. 3222.0

Sydney has been one of Australia's fastest growing cities for decades. Though Sydney remains a city of profound opportunity, its capacity to share the challenges of growth throughout the metropolitan area is uncertain. Despite record investment in infrastructure, Sydney has failed to fairly distribute a growing population, while proactively providing those populations with adequate infrastructure that maintains liveability.

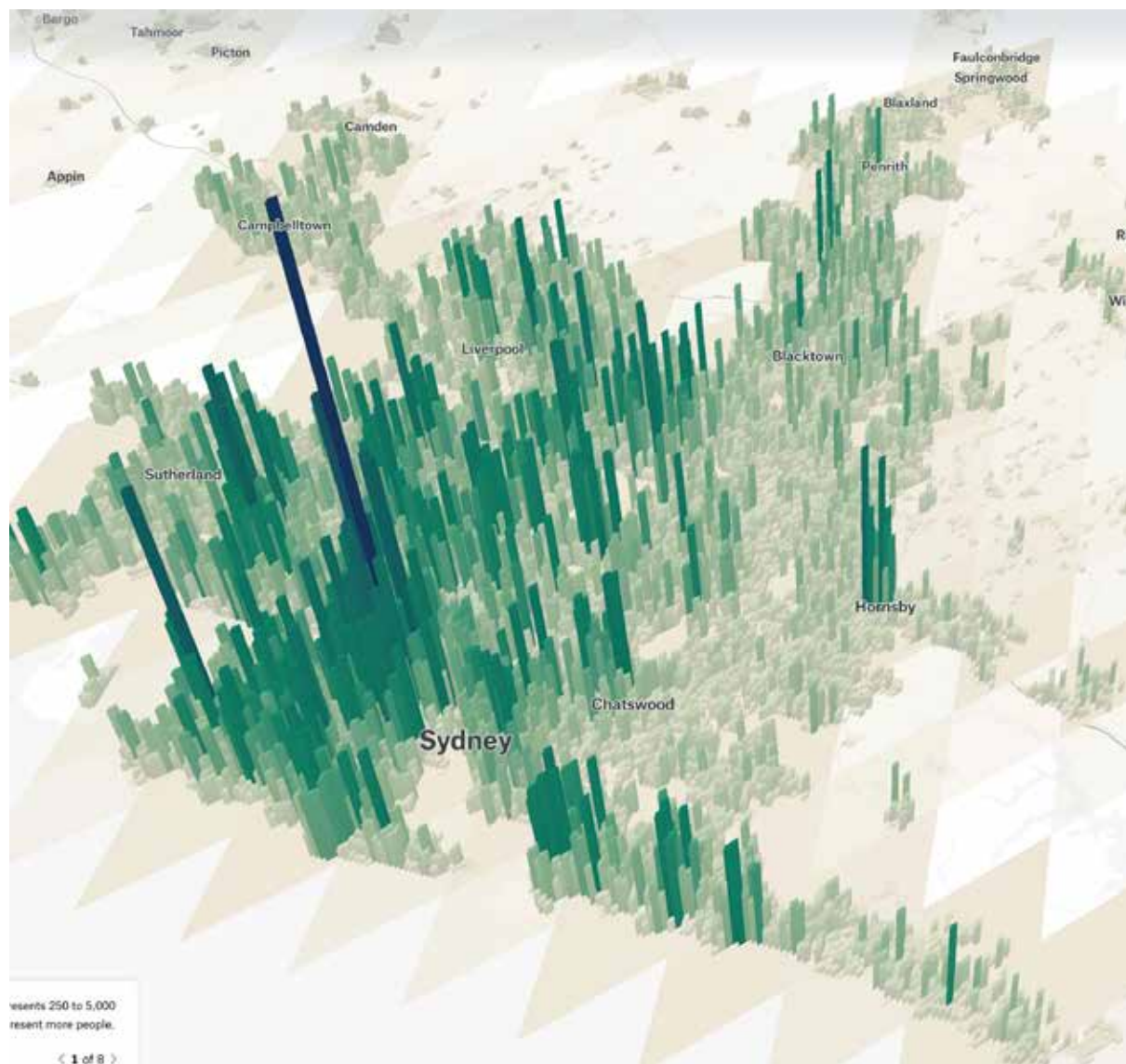


## Where Sydney's population is today

Sydney is Australia's biggest city, but by international standards its density is modest, particularly in its north. While Manly, Hornsby, and Chatswood all feature high density there are considerable expanses within Sydney's inner-north that remain low density, despite their proximity to the CBD.

The below figures present a visual representation of Sydney's population density, with data sourced in 2015. The higher and darker the green bar, the higher the population living within that location. Viewing Sydney from the northeast, looking southwest, a stark contrast between the southern and northern sides of the harbour and Parramatta River can be observed.

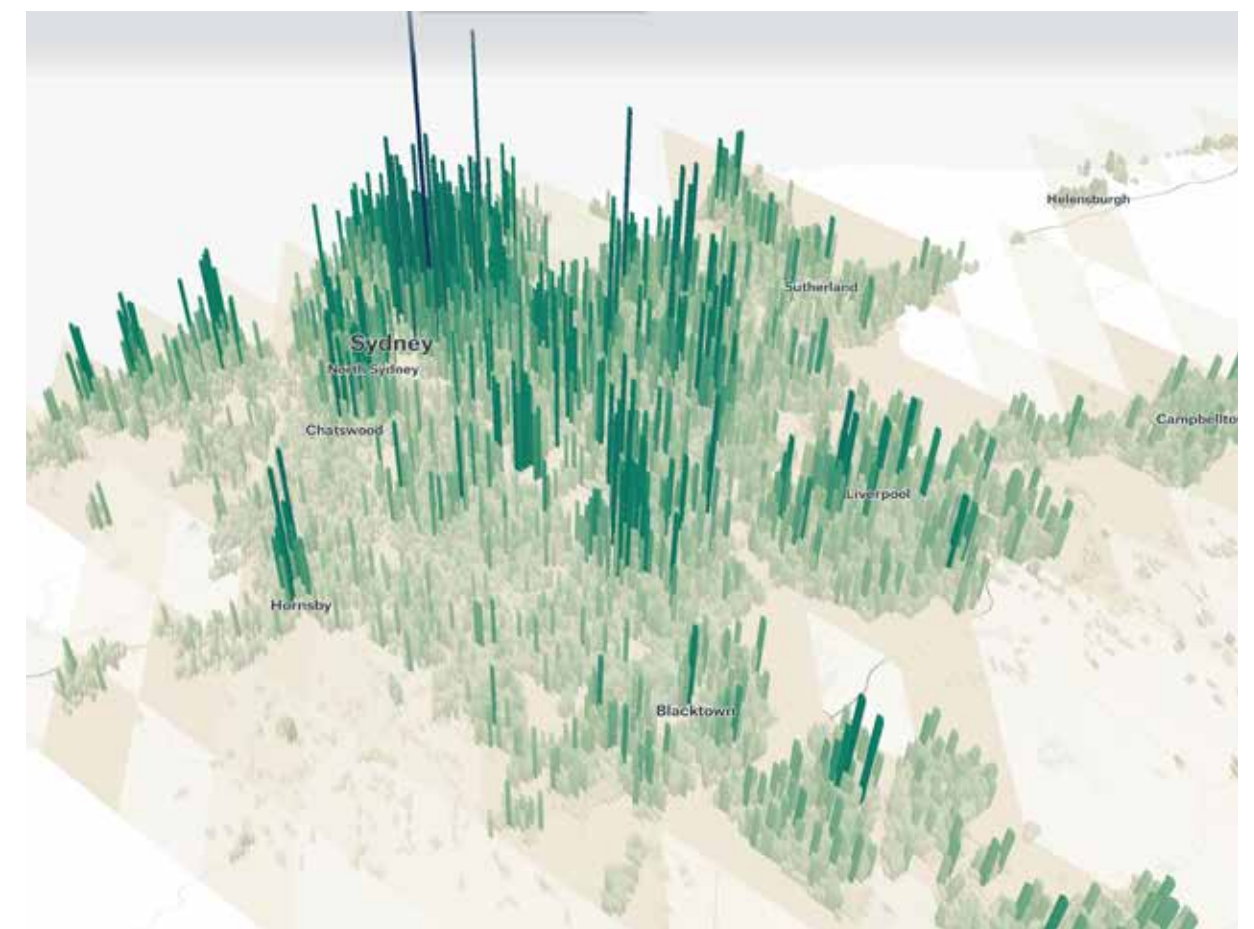
**FIGURE 2:**  
SYDNEY POPULATION DENSITY, 2015. VIEWED FROM THE NORTHEAST, LOOKING SOUTHWEST.



Source: Daniels, M. Human Terrain: Visualising the World's Population in 3D. Accessed at [pudding.cool/2018/10/city\\_3d/](http://pudding.cool/2018/10/city_3d/)



**FIGURE 3:**  
SYDNEY POPULATION DENSITY, 2015. VIEWED FROM THE NORTHWEST, LOOKING SOUTHEAST.



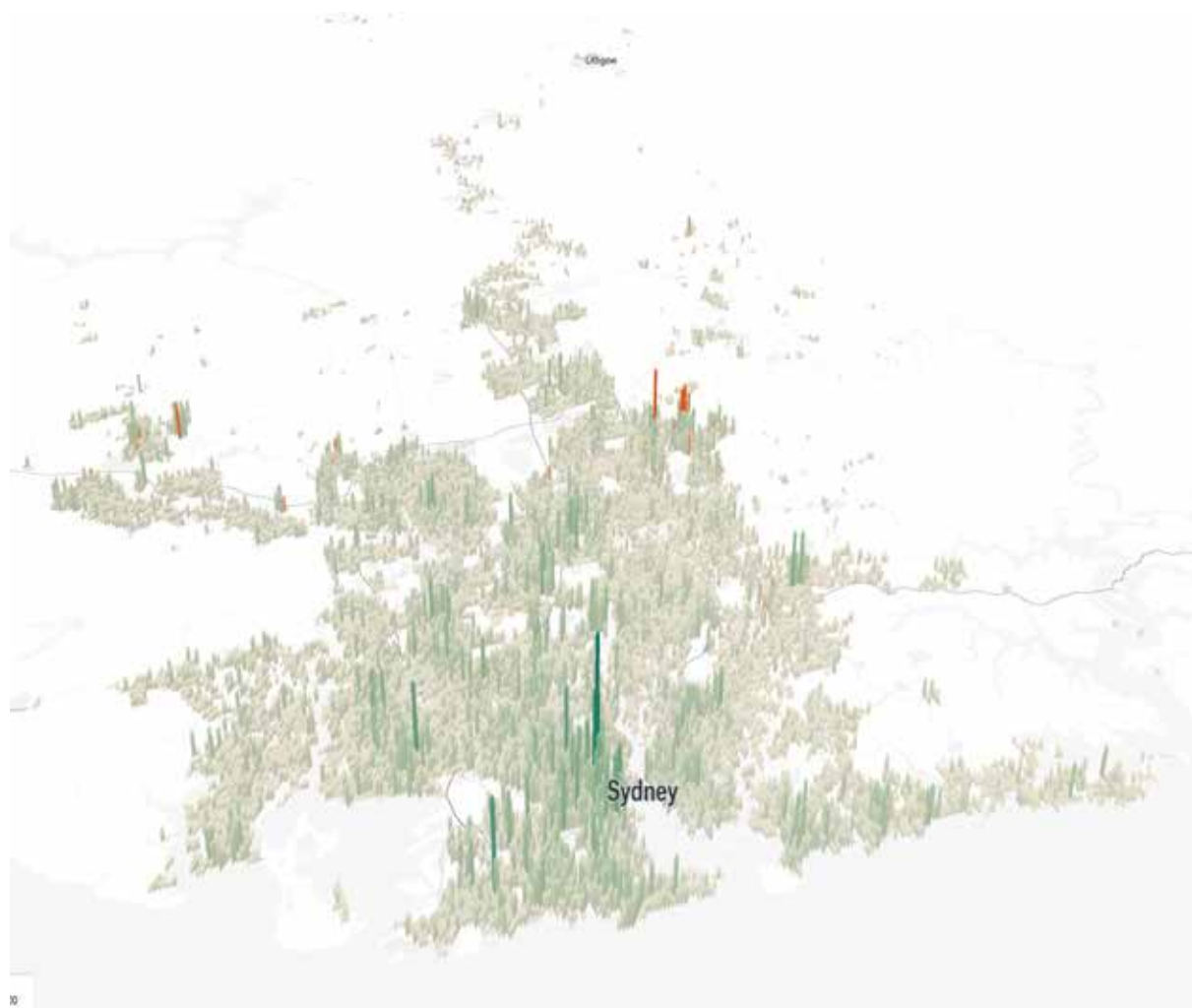
Source: Daniels, M. Human Terrain: Visualising the World's Population in 3D. Accessed at [pudding.cool/2018/10/city\\_3d/](http://pudding.cool/2018/10/city_3d/)



### Visualising population growth from 1990-2015

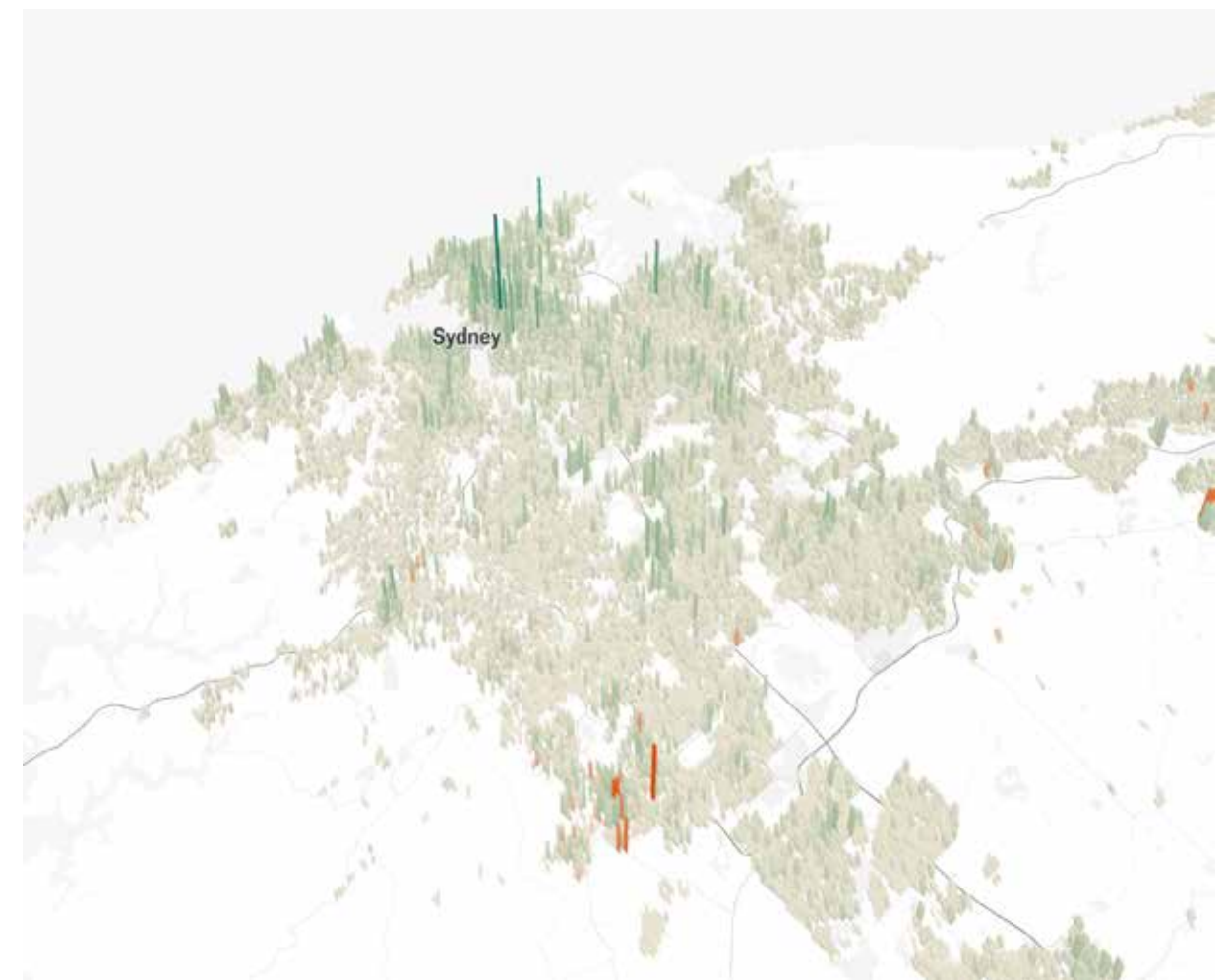
The following two figures depict population *growth* from 1990 to 2015. The taller and greener a bar, the higher the rate of population growth. The taller and redder a bar, the more a local population has declined. Again, it is clear that certain areas of Sydney are experiencing a considerable degree of population growth when compared with others.

**FIGURE 4:** SYDNEY POPULATION GROWTH, 1990 TO 2015. THE GREEN TOWERS REPRESENT GROWTH OVER THAT PERIOD, WHERE THE RED TOWERS REPRESENT A REDUCTION IN POPULATION. VIEWED FROM SYDNEY'S EAST, LOOKING WEST.



Source: Daniels, M. Human Terrain: Visualising the World's Population in 3D. Accessed at [pudding.cool/2018/10/city\\_3d/](http://pudding.cool/2018/10/city_3d/)

**FIGURE 5:** SYDNEY POPULATION GROWTH, 1990 TO 2015. THE GREEN TOWERS REPRESENT GROWTH OVER THAT PERIOD, WHERE THE REDDER TOWERS REPRESENT A REDUCTION IN POPULATION. VIEWED FROM SYDNEY'S NORTHWEST, LOOKING SOUTHEAST TOWARDS THE SYDNEY CBD.



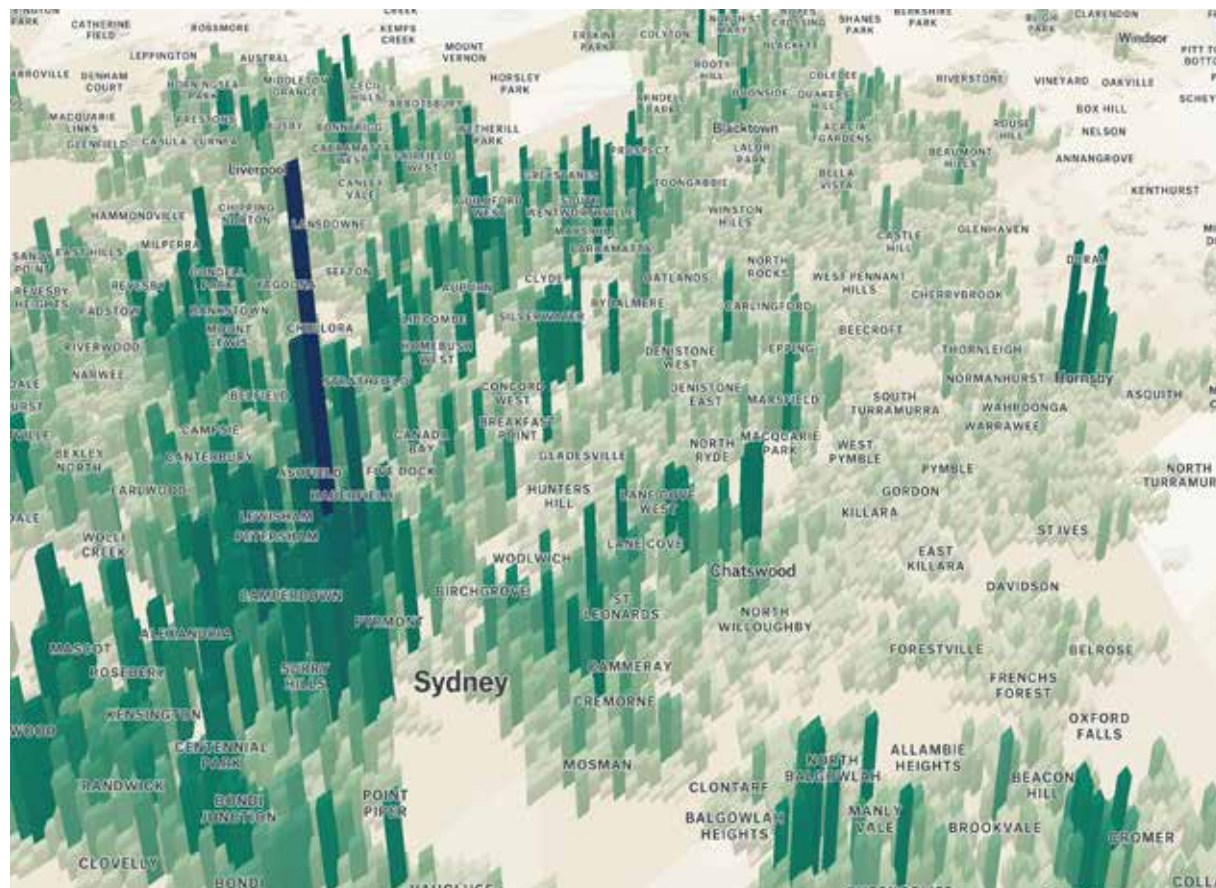
Source: Daniels, M. Human Terrain: Visualising the World's Population in 3D. Accessed at [pudding.cool/2018/10/city\\_3d/](http://pudding.cool/2018/10/city_3d/)

Sydney's population growth is largely concentrated in a few areas and key growth corridors. Figure 4 represents Sydney's population growth since 1990, looking at the city from due east. From this broad perspective, it's clear that population growth within the Sydney metropolitan area has been unevenly distributed. It is evident certain areas within Sydney have

borne the brunt of population growth over the past three decades. While there are few areas that have seen stagnant or negative population growth, there are many areas – even areas within proximity to the CBD – that have experienced a slow growth trajectory over the past three decades.



**FIGURE 6:** SYDNEY POPULATION GROWTH, 1990 TO 2015. THE GREEN TOWERS REPRESENT GROWTH OVER THAT PERIOD, WHERE THE RED TOWERS REPRESENT A REDUCTION IN POPULATION. VIEWED FROM SYDNEY'S EAST, LOOKING WEST.



Source: Daniels, M. Human Terrain: Visualising the World's Population in 3D. Accessed at [pudding.cool/2018/10/city\\_3d/](http://pudding.cool/2018/10/city_3d/)

One such area is in Sydney's northern suburbs. Figure 5 offers a more granular view of population density in northern Sydney. With the exceptions of the Manly area, Hornsby, Chatswood, and small pockets in the Northern Beaches, particularly around Dee Why. The suburbs northwest and north of Chatswood, such as Forestville, Frenchs Forest, Killara, West Pymble and Pymble succinctly demonstrate examples of low growth areas within close proximity to the Sydney CBD.

There is no expectation that population would be evenly distributed across every location within Sydney. The prevalence of water ways and varying gradients makes Sydney's geography complex. Populations tend to concentrate around transport corridors, and close to employment and educational facilities. Sydney's population growth requires more than 36,000 new dwellings annually. There are areas within Sydney's north that could embrace increased population density to ensure essential services in existing growth centres are not further strained.



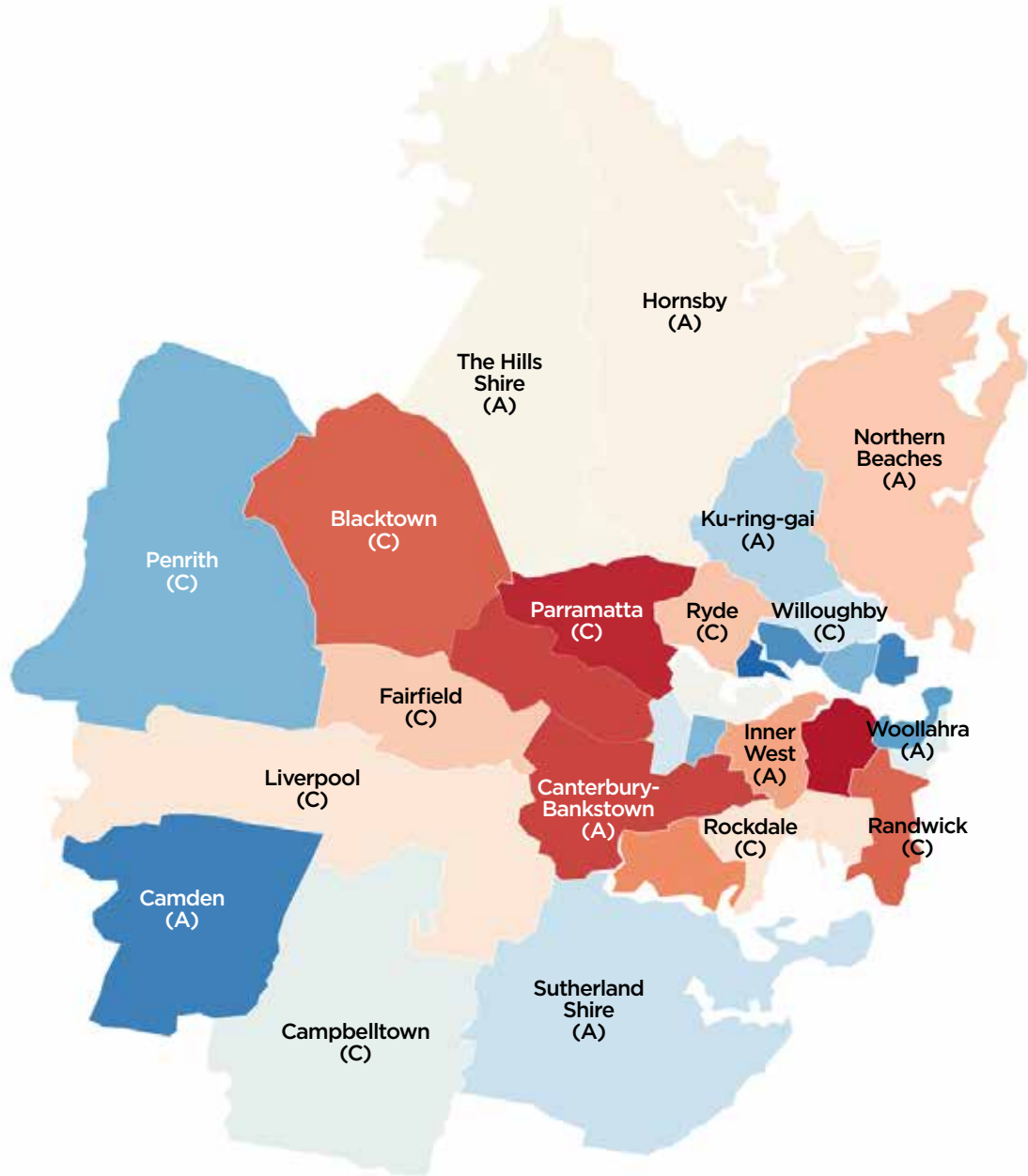


Where Sydney's migration is being directed

Natural population growth, internal Australian migration, and immigration from abroad all help fuel Sydney's growth. Much of this growth is poorly distributed across the broader Sydney metropolitan area. Certain LGAs are receiving far more migrants than others. Sydney LGA and Parramatta LGA received the most migrants in 2018, with Woolhara, Camden, Willoughby, and Kuringai councils taking the fewest.

Population growth benefits communities. However, when observing migration within Sydney, it is evident that the vast majority are locating themselves in the Sydney LGA and the western growth corridor, which includes the Canterbury-Bankstown LGA, Parramatta LGA, Cumberland LGA, and Blacktown LGA.

FIGURE 7: MIGRATION HOT SPOTS IN SYDNEY (LGA) - 2018.



Since 2007, Sydney's population growth has been concentrated to a few areas

The below figure demonstrates the unequal rate of growth between 2007-2017 in Sydney LGAs. Camden saw a 40 per cent growth in population, with Sutherland Shire experience just 6 per cent.

FIGURE 8: SYDNEY LGAS BY POPULATION GROWTH, 2007-2017.

LOCAL GOVERNMENT AREA	PLANNING DISTRICT	2007 POPULATION	2017 POPULATION	REAL GROWTH	PERCENTAGE GROWTH
Camden	Western	52,178	87,250	35,072	40.19
Sydney	Eastern	169,056	233,217	64,161	27.51
Canada Bay	Eastern	70,196	93,858	23,662	25.21
Parramatta	Central	185,175	243,464	58,289	23.94
Strathfield	Eastern	34,219	43,585	9,366	21.48
Liverpool	Western	172,875	217,736	44,861	20.60
Bayside	Eastern	135,831	170,279	34,448	20.23
Blacktown	Central	284,925	356,859	71,934	20.15
Cumberland	Central	185,224	231,604	46,380	20.02
Lane Cove	North	31,678	38,782	7,104	18.31
Ryde	North	102,453	124,798	22,345	17.90
The Hills Shire	Central	138,034	167,296	29,262	17.49
Randwick	Eastern	128,229	151,993	23,764	15.63
Ku-ring-gai	North	105,551	124,898	19,347	15.49
Georges River	South	132,751	156,440	23,689	15.14
Willoughby	North	67,809	79,574	11,765	14.78
North Sydney	North	62,476	73,077	10,601	14.50
Canterbury-Bankstown	South	316,155	367,519	51,364	13.97
Penrith	Western	177,280	204,785	27,505	13.43
Inner West	Eastern	170,481	195,113	24,632	12.62
Northern Beaches	North	237,084	269,378	32,294	11.98
Waverley	Eastern	65,279	73,176	7,897	10.79
Campbelltown	Western	147,159	164,273	17,114	10.41
Fairfield	Western	187,872	209,107	21,235	10.15
Woollahra	Eastern	53,564	58,883	5,319	9.03
Mosman	North	27,900	30,465	2,565	8.41
Hornsby	North	137,694	149,242	11,548	7.73
Hunters Hill	North	13,716	14,716	1,000	6.79
Sutherland Shire	South	213,161	227,073	13,912	6.12

Source: ABS Cat. 3218.0







FIGURE 9: 10 YEAR POPULATION GROWTH BY PLANNING DISTRICT.

PLANNING DISTRICT	2007 POPULATION	2017 POPULATION	REAL GROWTH	% GROWTH
Central	793,358	999,223	205865	25.95
Eastern	826,855	1,020,104	193249	23.37
Western	737,364	883,151	145787	19.77
North	786,361	904,930	118569	15.08
South	662,067	751,032	88965	13.44

Source: ABS Cat. 3218.0

When translated to rates of population growth within the Sydney’s current planning districts, it’s clear that growth in the Central, Western and Eastern districts has far outpaced that in the North and South planning districts. The Central district, which encompasses Sydney’s geographic centre including Parramatta, Blacktown, Campbelltown, and the Hills District LGAs, has seen the fastest rate of population growth over the past decade, growing by almost 26 per cent. This contrasts with the South planning district – the slowest growing – which grew by only 13 per cent in the 10 year period assessed.

Sydney’s population density is unevenly distributed

FIGURE 10: SYDNEY LGAS BY POPULATION DENSITY (2017).

LGA	PEOPLE PER SQUARE KM	LGA	PEOPLE PER SQUARE KM
Sydney	8720.7	Strathfield	3113.0
Waverley	7825.7	Ryde	3083.4
North Sydney	6969.2	Parramatta	2904.3
Inner West	5516.1	Hunters Hill	2574.1
Burwood	5495.4	Fairfield	2060.0
Woollahra	4796.0	Blacktown	1486.6
Canada Bay	4711.0	Ku-ring-gai	1462.3
Randwick	4183.6	Northern Beaches	1059.7
Georges River	4082.6	Liverpool	712.2
Lane Cove	3700.8	Sutherland Shire	680.7
Willoughby	3548.3	Campbelltown	526.7
Mosman	3521.8	Penrith	506.0
Bayside	3413.1	Camden	434.0
Canterbury-Bankstown	3333.1	The Hills Shire	433.2
Cumberland	3236.9	Hornsby	328.0



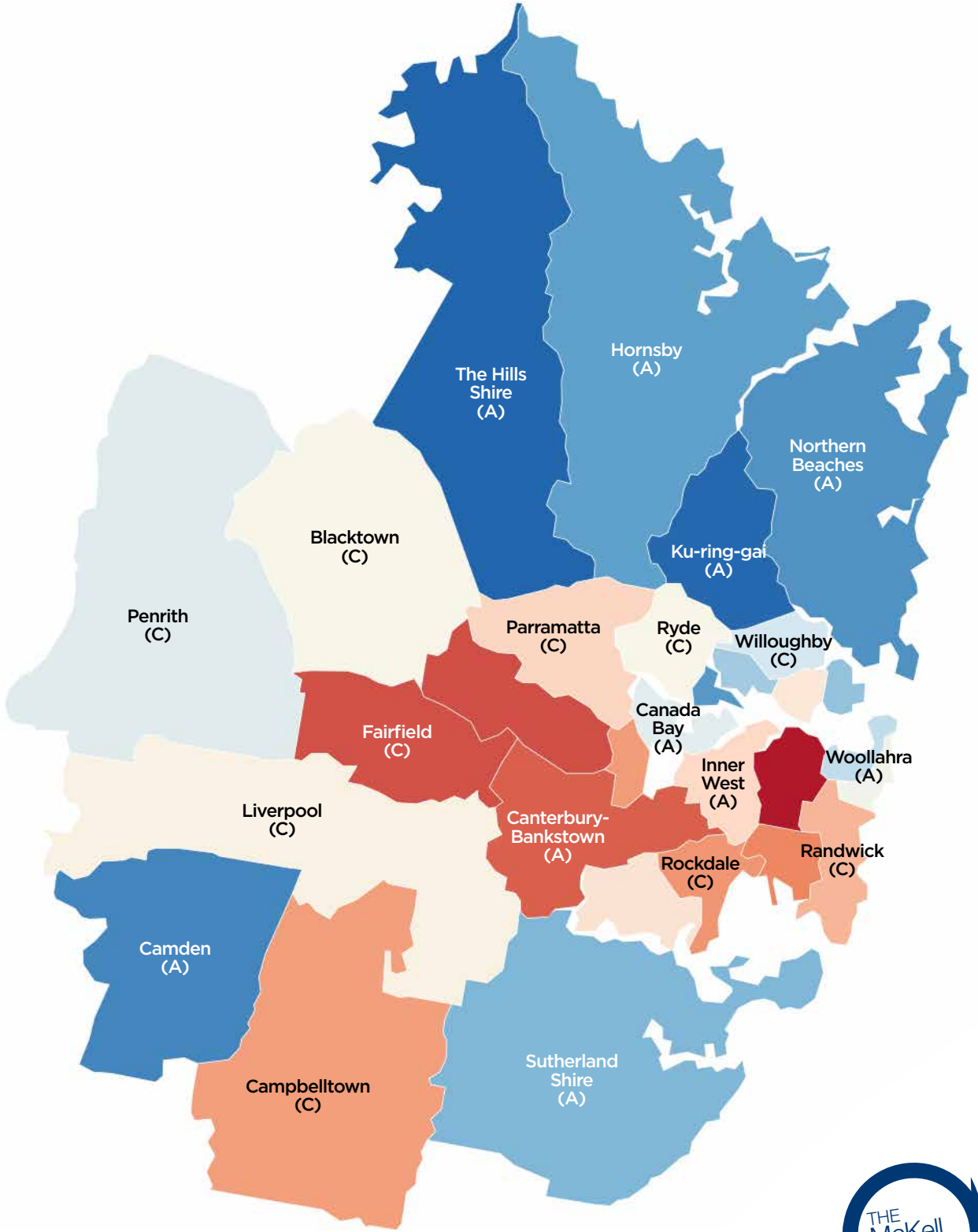
A tale of two cities: Comparing economic resources across Sydney

FIGURE 11: INDEX OF ECONOMIC RESOURCES RANKING OF SYDNEY LGAS.

INDEX OF ECONOMIC RESOURCES (ABS 2016)			
RANK	LGA	INDEX SCORE	DECILE
1	The Hills Shire	1136	10
2	Ku-ring-gai	1132	10
3	Camden	1104	10
4	Northern Beaches	1095	10
5	Hunters Hill	1093	10
6	Hornsby	1091	10
7	Sutherland Shire	1084	10
8	Bayside	1078	10
9	Mosman	1076	10
10	Lane Cove	1070	10
11	Woollahra	1056	10
12	Willoughby	1039	9
13	Penrith	1022	9
14	Canada Bay	1020	9
15	Waverley	1014	8
16	Blacktown	1011	8
17	Ryde	1011	8
18	Liverpool	1008	8
19	North Sydney	1003	7
20	Georges River	1000	7
21	Inner West	994	7
22	Parramatta	993	6
23	Randwick	984	6
24	Campbelltown	977	5
25	Strathfield	976	5
26	Rockdale	974	5
27	Botany Bay	968	4
28	Canterbury-Bankstown	956	3
29	Burwood	944	2
30	Fairfield	943	2
31	Cumberland	941	2
32	Sydney	883	1

FIGURE 12: INDEX OF ECONOMIC RESOURCES, VISUALIZED ACROSS SYDNEY LGAS.

The darker shade of blue represents a higher score on the index, with darker red representing a greater level of disadvantage.





The ABS Index of Economic Resources (IER) explores the 'financial aspects of relative socio-economic advantage and disadvantage' nationwide at SA2 levels.<sup>2</sup> The data is collected at the five-year census, the most recent being in 2016 and published in March, 2018.

The lower the score on the IER, index, the less access to economic resources an area has. The ABS states that determinants of a lower score include a greater proportion of households with low income, more households paying low rent and lower rates of home ownership more broadly. The index is a broader representation of wealth in Australia, rather than just income.

The index provides a valuable insight into the financial health of those living in different LGA's across the Sydney metropolitan area. Broadly speaking, Sydney fares better than other areas within Australia. Eleven LGAs rank in the top decile of the IER. Most of these LGAs are situated within the inner-north and inner-northwest, with the exception of Sutherland Shire and the Hills Shire. However, alarmingly, Sydney is also home to 8 LGAs (9 at the time the census was taken) that score in the lower 5 deciles. These LGAs include Parramatta, Randwick, Campbelltown, Strathfield, Rockdale, Botany Bay, Canterbury-Bankstown, Burwood, Fairfield, Cumberland and Sydney. A majority of these LGAs are situated in Sydney's west to south-west. A clear geographic divide is evident when exploring economic resources across Sydney.

### Better planning is needed to correct course

The mismanagement of Sydney's population growth has exacerbated the city's economic divide. To correct this course a new approach that puts fairness, equitable growth and liveability front and centre is needed.





# RECOMMENDATION 1: MAJOR DEVELOPMENT PROJECTS MUST BE PAIRED TO MAJOR INFRASTRUCTURE PROJECTS AND TIMELINES.

KEY POINTS:

- Sydney is still dominated by the car, in part due to a lack of access to efficient public transport alternatives in relatively high-density suburban areas.
- Sydney’s congestion is getting worse, and will cost Sydney \$12.6 billion by 2030.
- A majority of infrastructure spending is on roads, but this hasn’t significantly alleviated congestion.
- A more symbiotic relationship between development approvals and infrastructure pipelines needs to be established.

Sydney’s congestion woes

Sydney now ranks as the 29th most congested city in the world – and there is a real chance this could get even worse given the expected increase in kilometres travelled on Sydney’s roads. Congestion is an equity issue, often felt most acutely by those forced to live increasing distances employment hubs. Catering for future demand requires an understanding of where congestion is worst today, and why.

FIGURE 13: TOTAL KILOMETRES TRAVELLED ON SYDNEY ROADS, ALL PASSENGER VEHICLES. 2018 VS 2030 FORECASTS.<sup>3</sup>

	2018	2030
Total Kilometres Travelled on Passenger Vehicles	43.3 Billion	55.57 Billion

The car remains king

On Census day, 2016, 52.7 per cent of Sydney resident travelling to work did in a car they were driving.<sup>4</sup> The BITRE analysis above makes it clear that car travel is likely to dominate for decades to come. While greater investment in public transport is essential, policymakers need to be cognizant of the staying power of the car, identify existing choke points in Sydney’s road network, and work towards both easing congestion points, while orienting new population growth to areas that will alleviate pressure.

FIGURE 14: HOW PEOPLE TRAVELLED TO WORK ON CENSUS DAY, 2016.<sup>5</sup>

HOW PEOPLE TRAVEL TO WORK, GREATER SYDNEY (2016)		
Car, as driver	1,197,269	52.7
Train	247,051	10.9
Bus	125,503	5.5
Worked at home	98,906	4.4
Walked only	91,577	4

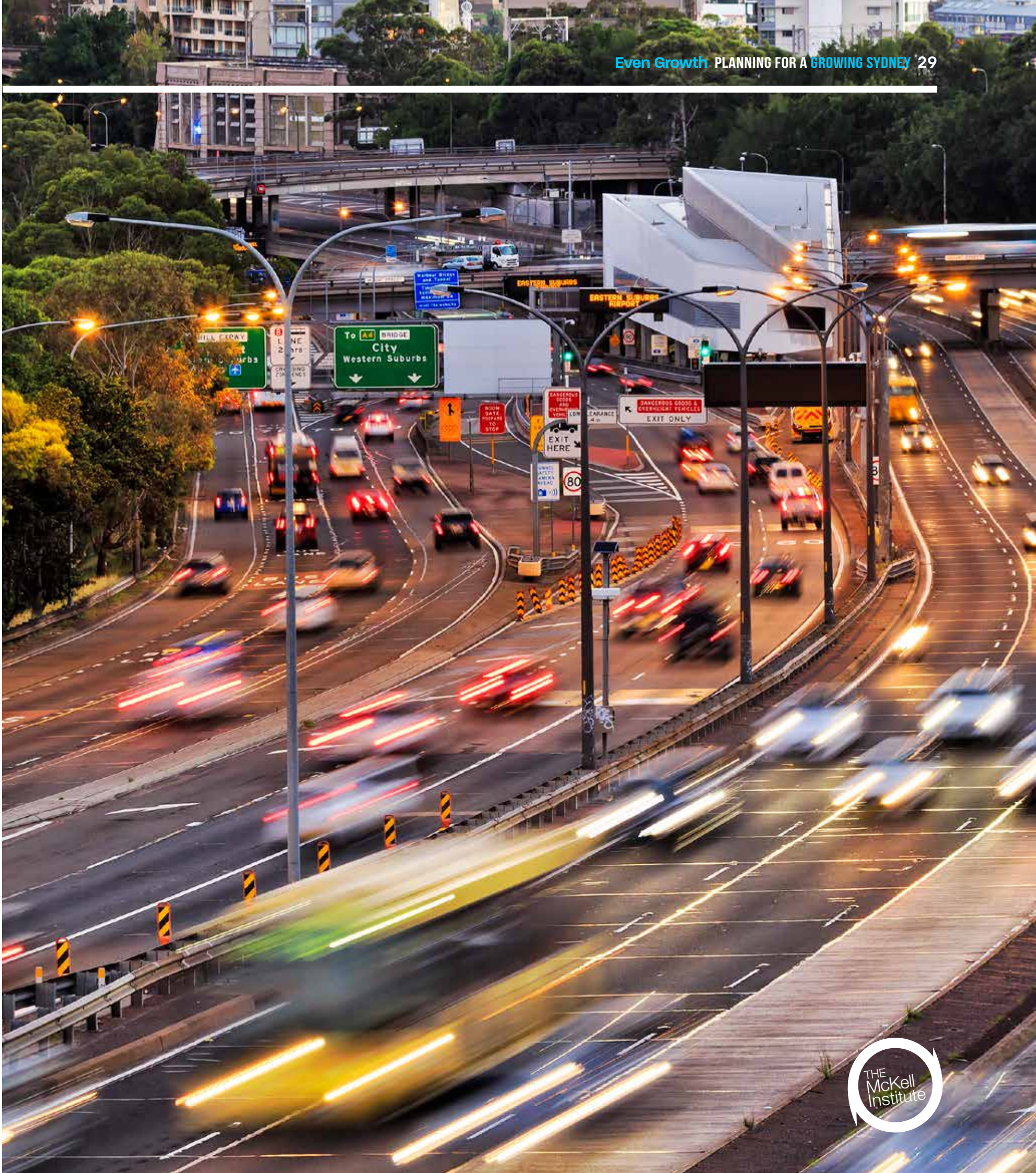




**FIGURE 15:** PERCENTAGE OF COMMUTERS WHOSE COMMUTE IS LESS OR GREATER THAN 45 MINUTES, VARIOUS COMMUTING METHODS.<sup>6</sup>

COMMUTER TYPE	LESS THAN OR EQUAL TO 45 MINUTES	GREATER THAN 45 MINUTES
	PER CENT	PER CENT
Vehicle driver	87	13
Vehicle passenger	90	10
Train	21	79
Bus	47	53
Ferry	34	66
Taxi	100	0
Walk	96	4
Bicycle	79	21
Other	71	29
Total	77	23

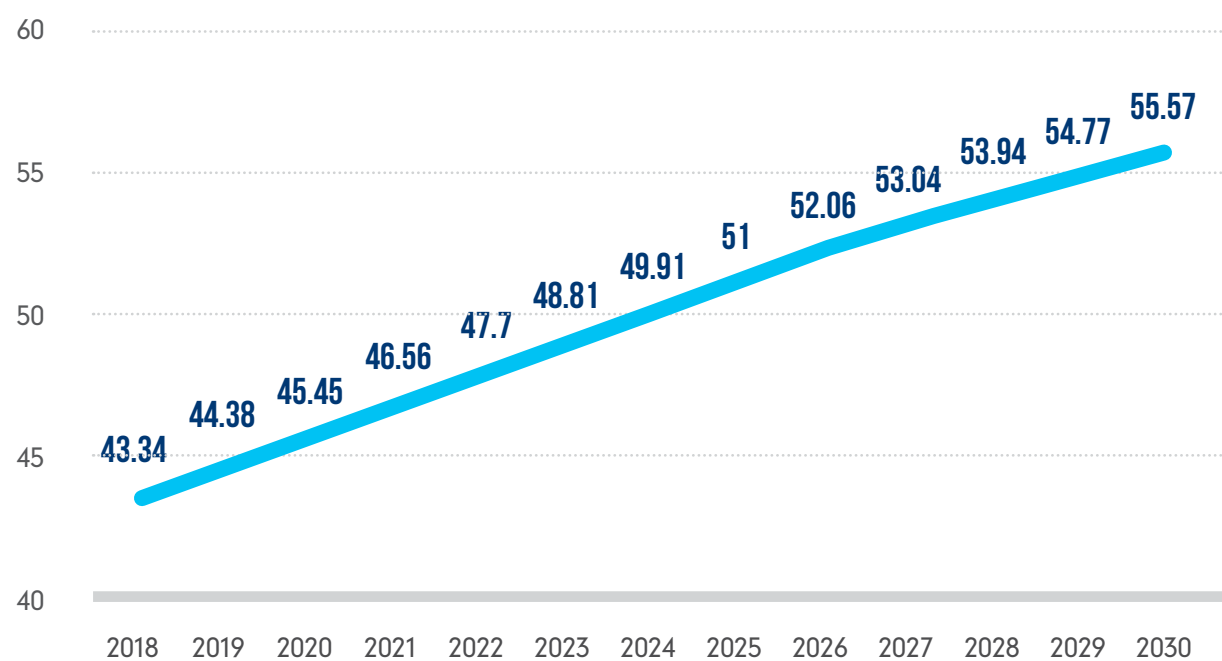
Sydneysiders who don't drive tend to have longer commutes, a likely deterrent to commuting on public transport. In 2013, 79 per cent of those who travelled to work on train experienced a commute time greater than 45 minutes, as did more than half of bus passengers. Close to 90 per cent of those who went by car to work, either as a passenger or driver, enjoyed a commute under 45 minutes. It's clear why Sydney remains a city where the car dominates: despite worsening congestion, public transport remains an unviable option for many commuters. Sydney's congestion is felt worst in a few key areas





Sydney's worst traffic congestion is also where most people work, the CBD and its immediate surrounds. The Grattan Institute's analysis on Sydney traffic highlights acute traffic issues elsewhere in metropolitan Sydney, particularly in the central growth corridor west of the city. Acute traffic congestion is also evident in the Northern Beaches, along the A8, and in growth centres in the southwest and northwest metropolitan area.<sup>7</sup>

**FIGURE 16:**  
BILLIONS OF KILOMETRES TRAVELLED ANNUALLY IN SYDNEY – 2018-2030 PROJECTIONS.



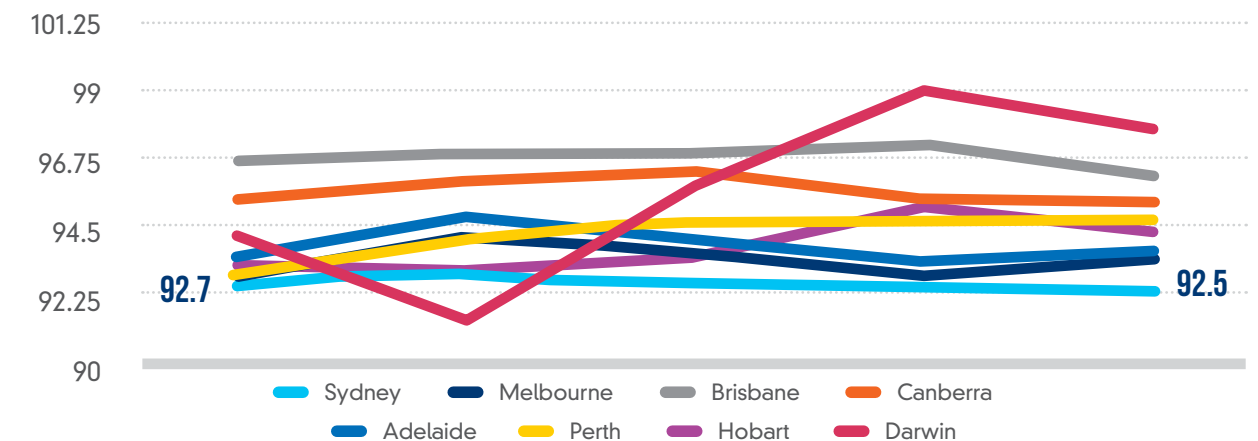
Source: BITRE

### Sydney's congestion is getting worse, and travel times slower

The perception that congestion in Sydney is getting worse is borne out by data monitoring speeds on Sydney's roads during peak times. Free flow speeds are those that are to be expected when a vehicle is travelling unencumbered by traffic and is a common measure of congestion. Since 2014, *Speeds as a Percentage of Free Flow Speed* has been declining in Sydney. Sydney commuters typically travel at 92.5 per cent of Free Flow Speeds across the Greater Sydney area. This

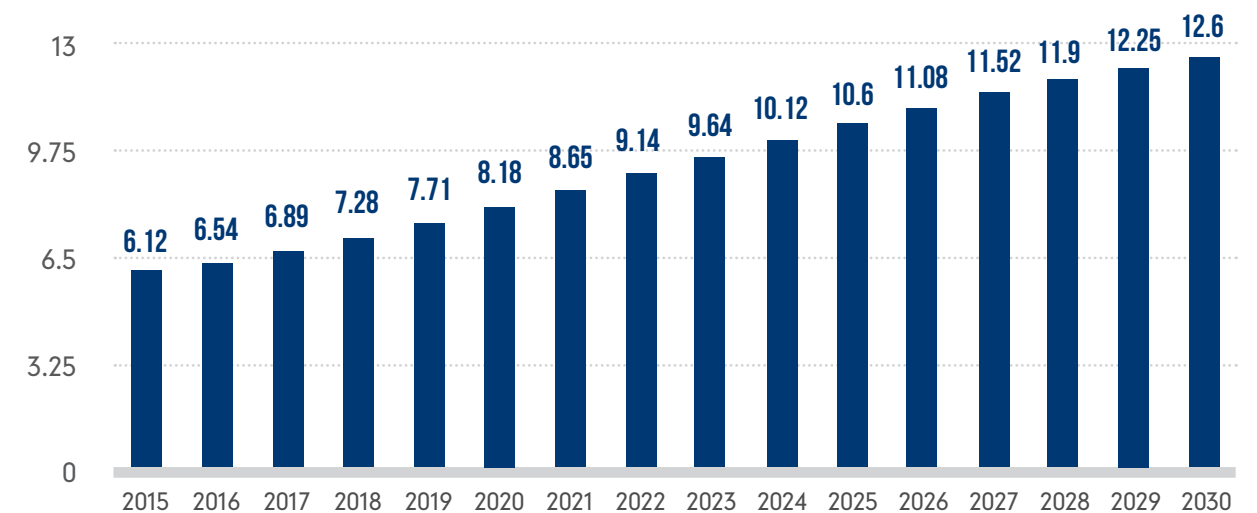
is the slowest pace of travel in the country. In general Sydneysiders' commutes are longer, with the average distance 15.4 kilometres.<sup>8</sup> For those working in the city, however, the average commute to work is 18.9 kilometres.<sup>9</sup> The combination of lengthy commutes, slower travel speeds, and high-percentage of commuters who typically rely on cars all exacerbate the strains people feel in their everyday lives.

**FIGURE 17:**  
SPEEDS AS A PERCENTAGE OF FREE-FLOW SPEED, 2014-2018 – 8 CITY COMPARISON. SYDNEY PLACES LAST, AND HAS SEEN A SLOWING OF FREE-FLOW SPEEDS SINCE 2014.<sup>10</sup>



Congestion will cost Sydney \$12.6 billion in 2030

**FIGURE 18:** AVOIDABLE COSTS OF CONGESTION IN SYDNEY, 2015-2030



Source: BITRE

The congestion caused by the millions of car trips per day in Sydney costs individuals and Sydney's economy. The Bureau of Infrastructure, Transport and Regional Economics publishes estimates of the 'avoidable' social costs of congestion.

In 2018, these costs totaled \$7.28 billion in Sydney alone. On current trends, this is expected to reach \$12.6 billion by 2030. The economic impact of congestion requires action from the state government.



Large infrastructure pipeline, but few projects near completion

There remains a discrepancy between those major infrastructure projects that have been completed or are nearing completion in Sydney’s planning districts, and those that have been announced or planned for. *Futuretransport NSW* maps the infrastructure projects that are ‘completed, in progress or planning’ today. Across the Greater Sydney Area, a total of 328 infrastructure projects are listed in this category. When they’re broken down into types of projects, the number becomes less significant. There are a total of 16 major rail projects across the entirety of Sydney, 66 road projects, just three major bus projects, and two light rail projects. Most of the rail projects are located in the Western City district and Eastern City (CBD and Eastern suburbs) district. Just one major rail project is to be found in the North District is the region with the least infrastructure projects ‘completed, in progress or planning’, with just one rail project, seven road projects, one bus project and zero light rail projects in the district.

FIGURE 19: PROJECTS ‘COMPLETED, IN PROGRESS OR PLANNING’, 2019.<sup>11</sup>

	ALL PROJECTS (INCL FREIGHT, MARITIME, CYCLING & WALKING)	RAIL	ROAD	BUS	LIGHT RAIL
Western City	108	5	27	0	0
South District	35	0	6	0	0
Eastern City	63	7	8	1	1
North District	44	1	7	1	0
Central City	78	3	18	1	1
TOTALS	328	16	66	3	2

A significant number of major projects have been announced and are due for completion in the distant future – some as far away as 2040. Overall, there are 437 infrastructure projects (NSW Government funded or co-funded) slated to be undertaken across the Greater Sydney region in that period. Again, the bulk of these projects are forecast to be undertaken in the Western City, Eastern City and Central City planning districts, with the North and South City districts forecast to have fewer projects. The discrepancy between completed, visible projects and those which are slated for distant delivery exacerbates public concerns over whether or not their area will benefit from the levels of infrastructure investment often touted for leaders.

FIGURE 20: PROJECTS PLANNED FOR COMPLETION BY 2040, BUT NOT YET UNDERWAY.<sup>12</sup>

	ALL INFRASTRUCTURE PROJECTS PLANNED FOR COMPLETION BY 2040
Western City	104
South District	78
Eastern City	89
North District	78
Central City	88

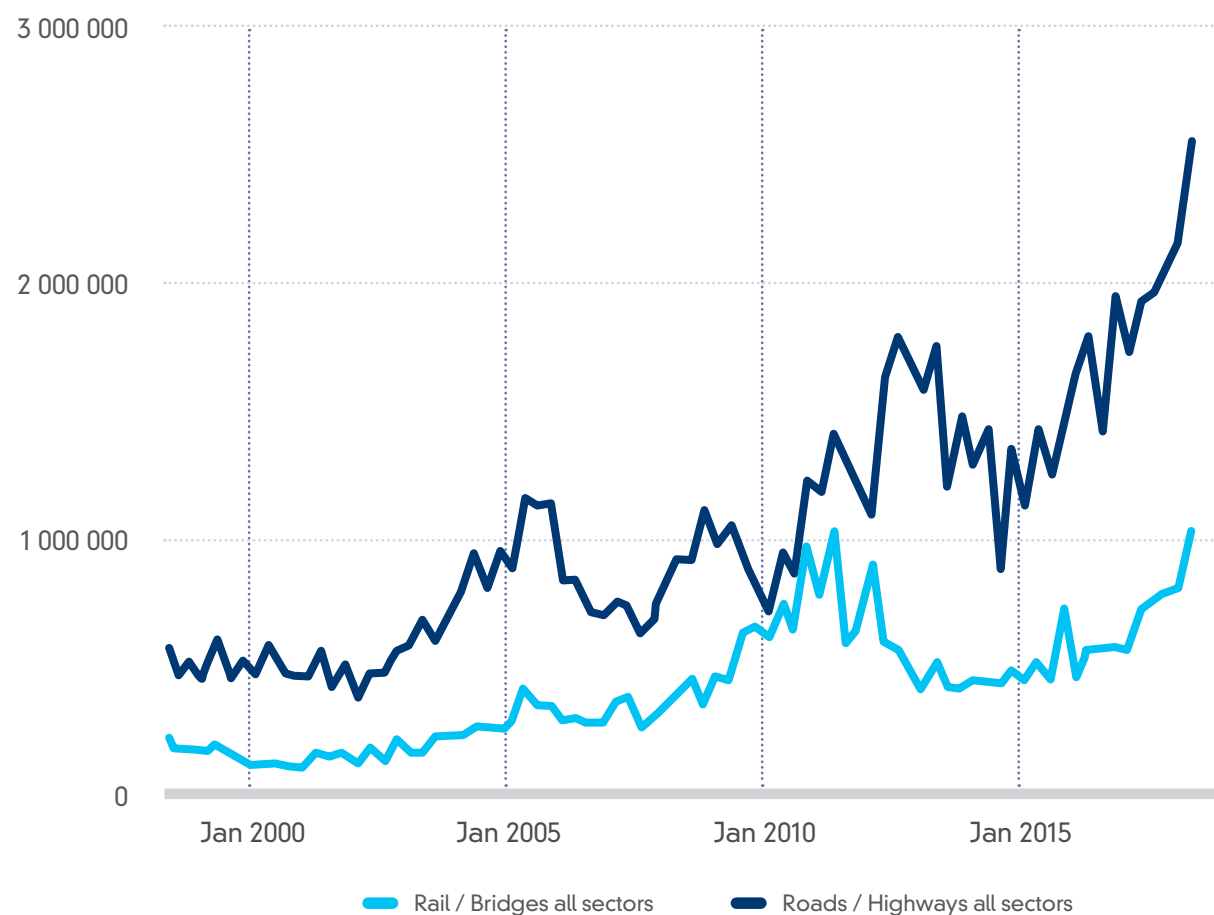




### Spending on roads has always outweighed rail in Sydney in New South Wales

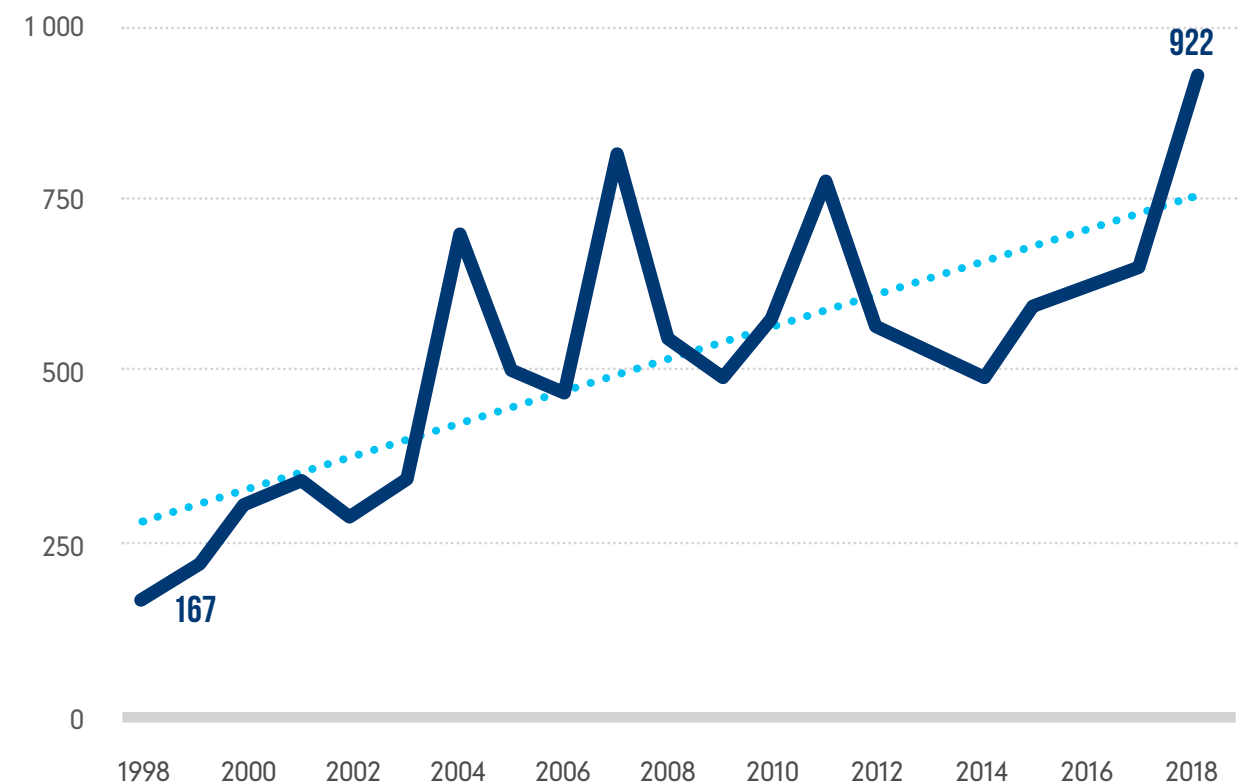
That existing infrastructure pipelines favour roads over rail is unsurprising. This follows a consistent trend over decades in New South Wales. As more Sydneysiders prefer cars as their primary mode of transport, it makes sense that New South Wales has often seen greater investment in roads than rail. There is a need to close this gap. Greater investment in rail will help alleviate the pressures on the existing system which is seen by many to be at breaking point, and will help encourage reluctant commuters to opt for the train over taking a car. Placing incentives on commuters to travel by public transport will only work if the public transport available to them is efficient, safe and reliable. For many, the frequent delays and perceptions around reliability on Sydney's train network undermines the incentives in place for individuals to make the switch to public transport.

**FIGURE 21:**  
COMPARISON BETWEEN COMPLETED INVESTMENT IN RAIL AND ROADS IN NSW, 20 YEAR  
TIMESERIES TO 2018.



Sydney's train network has been challenged by accommodating almost 40 million more passenger movements per year. In 2014, there were 282 million passenger movements on Sydney's train network. This had risen to 340 million in 2017 – the peak – with 320 million passenger movements recorded in 2018.

**FIGURE 22:**  
RISE IN MEDIA COVERAGE OF SYDNEY TRAIN ISSUES, 1998-2018.



A more symbiotic relationship between development and infrastructure planning is needed

The challenges facing Sydney's transport network are clear. The NSW Government should investigate methods of improving collaborative planning between developers and major infrastructure projects. Under such a framework, major developments could be staggered to allow for completion in sync with associated infrastructure and services.



# RECOMMENDATION 2: MAJOR DEVELOPMENT PROJECTS MUST BE PAIRED TO MAJOR INFRASTRUCTURE PROJECTS AND TIMELINES.

KEY POINTS:

- Growth has been poorly distributed in Sydney. The fast growing LGA has grown 40 per cent in the last 10 years, with the slowest growing just 6 per cent.
- Urban intensification does not necessarily lower liveability. Some of Sydney’s most liveable suburbs are also some its densest.
- Low growth areas in the South and North planning districts are ideally suited to greater urban intensification.

Sydney remains divided along geographical lines.

The further west and south you travel...the poorer the access to education and transportation. Meanwhile, the North West and South-West Growth Areas on the urban fringe are experiencing significant growth while other areas in the north and east appear to have latent and underutilised capacity for additional housing and density.”

- COMMITTEE FOR SYDNEY

Greater Sydney Commission housing targets unevenly spread load

The Greater Sydney Commission is charged with planning for Sydney’s future. It forecasts that Sydney will require at least 725,000 new dwellings by 2036 to meet demand. This averages out to figure of 36,250 new dwellings per year, from 2016. The Greater Sydney Commission has tabled its vision for where Sydney’s new housing stock, and therefore growing population, should be oriented:

FIGURE 23: GREATER SYDNEY COMMISSION HOUSING TARGETS, 2016-2021 AND 2016-2036

DISTRICT	0-5 YEAR HOUSING SUPPLY TARGET: 2016-2021	20-YEAR STRATEGIC HOUSING TARGET: 2016-2036
Central City	53,500	207,500
Eastern City	46,550	157,500
North	25,950	92,000
South	23,250	83,500
Western City	39,850	184,500
Greater Sydney	189,100	725,000

Greater Sydney Commission has argued that, by 2021, the entirety of Greater Sydney will need 189,100 new dwellings constructed. A majority of these, are expected in three planning districts: Central City, Eastern City, and Western City. The North District, for example, is expected to see 92,000 new dwellings constructed over the twenty years from 2036, with the South planning district expected to see 83,500 new dwellings constructed.

In contrast, Central City planning district, which covers much of Sydney’s central and north-western suburban areas, is forecast to see 207,500 new dwellings built by 2036. This is around a third of the expected housing construction in Greater Sydney in the twenty years until 2036.

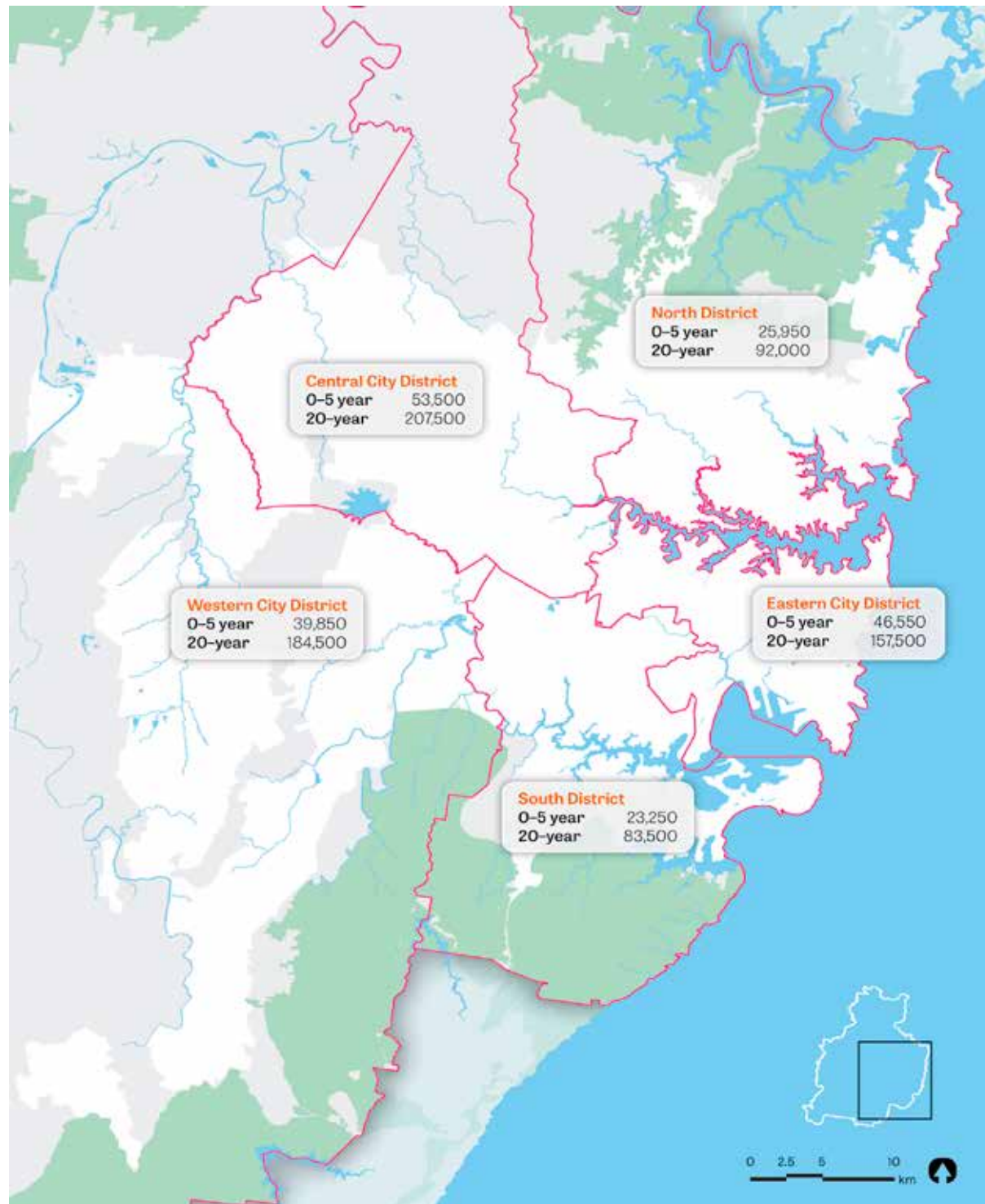
The growth plans put forward by the Greater Sydney Commission raise questions about the equitable distribution of population growth in Greater Sydney. Of course, as the city continues to grow, major population centres in the western and southwestern suburbs are expected to grow. However, there are serious questions about the extent to which low-density areas in Sydney are accomodating the city’s population growth under the commission’s plans. While there are certain geographic and topographic realities associated with the North and South planning districts that limit their carrying capacity, it is clear, as the Committee for Sydney has pointed out, that areas in the north have ‘latent and underutilised capacity for additional housing and density’.



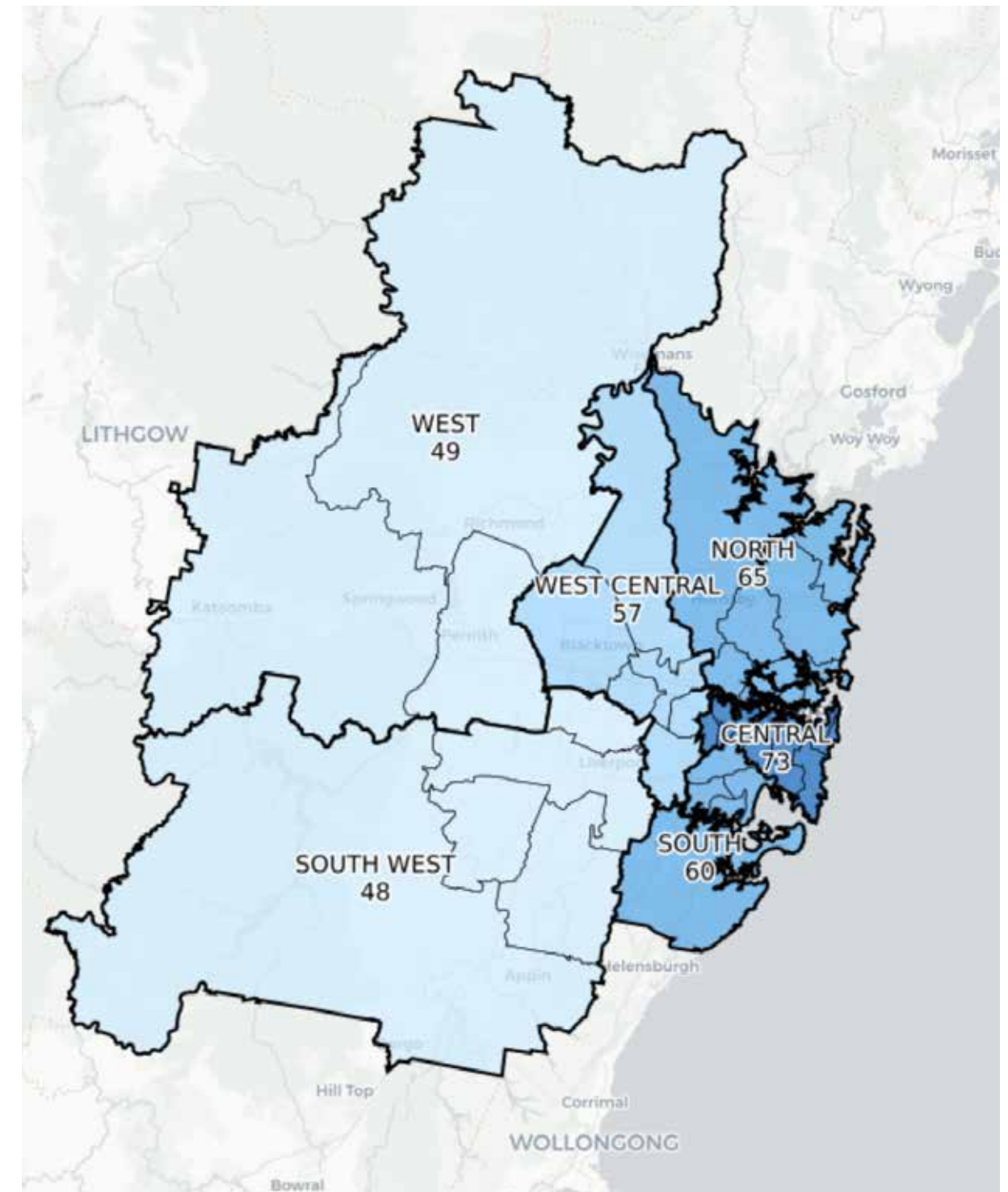


**FIGURE 24:**

GREATER SYDNEY COMMISSION HOUSING FORECASTS, SYDNEY PLANNING DISTRICTS, 0-5 YEARS AND 20 YEAR FORECASTS.

**FIGURE 25:**

URBAN LIVING INDEX RATINGS ACROSS SYDNEY'S 6 PLANNING AREAS. NORTH, SOUTH AND CENTRAL FAIR HIGHLY, WHILE WEST AND SOUTH WEST SCORE LOWER.<sup>13</sup>







The regions slated to house the bulk of Sydney’s population growth often rank lower on a range of liveability scores. The Urban Living Index above visualises how urban areas in the North, East and South planning districts score far higher when it comes to certain variables such as access to essential services, income and wealth.

FIGURE 26: SOME OF SYDNEY’S DENSEST SUBURBS ARE ALSO RATES AMONG ITS MOST LIVEABLE

RANK	SUBURB	LIVABILITY INDEX SCORE	PERCENTAGE OF DWELLINGS HIGH DENSITY
1	Crows Nest - Waverton	85	71%
1	Surry Hills	85	70%
3	Pyrmont - Ultimo	83	91%
3	Marrickville	83	40%
5	Potts Point - Woolloomooloo	82	92%
5	North Sydney - Lavender Bay	82	78%
5	Randwick	82	68%
5	Chatswood (East) - Artarmon	82	64%
5	Leichhardt - Annandale	82	25%
10	Neutral Bay - Kirribilli	81	76%
10	Hornsby - Waitara	81	53%
10	Newtown - Camperdown - Darlington	81	40%
13	Parramatta - Rosehill	80	82%
13	Darlinghurst	80	76%
13	Waterloo - Beaconsfield	80	75%
13	Manly - Fairlight	80	70%
13	Redfern - Chippendale	80	69%
13	Erskineville - Alexandria	80	56%
19	Double Bay - Bellevue Hill	79	71%
19	Bondi - Tamarama - Bronte	79	67%

Source: ABS Cat. 3218.0

Some communities may be reluctant to see a push towards high density. But data demonstrates that high-density does not necessarily translate into lower liveability itself. The Urban Liveability Index states that: “The **affordability, community, employability, amenity and accessibility** of an area all inform the liveability of an urban environment.”

Only three of the top 20 ranking suburbs maintain housing density lower than 50 per cent. What makes the communities liveable is the proximity and access to jobs and services, and the positive community attributes associated with a denser living environment. “Density is central to making sure that every community can access the things that matter to it because it is density that supports good local jobs and good community services. But crucially, this density must be done well.”<sup>14</sup>

**- MICHAEL ROSE, COMMITTEE FOR SYDNEY**

The GSC’s housing targets should be amended to distribute population more evenly across Greater Sydney

The Greater Sydney Commission’s housing targets risk exacerbating existing population pressures on certain areas within Greater Sydney, while limiting the amount of development and population growth in low-density, low-growth areas. These targets must be addressed to permit a more equitable distribution of a growing population across greater Sydney.





# RECOMMENDATION 3: THE MEDIUM DENSITY CODE MUST BE REFORMED, DISTRIBUTING MEDIUM DENSITY DEVELOPMENT TO LOW-DENSITY, LOW-GROWTH AREAS IN PROXIMITY TO MAJOR EMPLOYMENT HUBS.

## KEY POINTS:

- The Medium Density Code was poorly rolled out, and has left some areas of Sydney prone to more urban intensification than others.
- The Medium Density Code must be re-written in a way that doesn't enable some LGAs to avoid urban intensification.
- Poorly distributed medium density development may exacerbate existing congestion issues.

## Planning for, and enacting, medium density has been poor

Medium density housing is often referred to as the 'missing middle' in urban planning. Sydney's housing stock is characterised by detached dwellings and apartments, with fewer new developments focusing on this third option. Embracing medium density development, particularly in existing low-growth and low-density areas, is vital to fairly accommodate for growth in Sydney. And while legislation has been passed that facilitates the uptake of medium density, but so far it has been shelved, with only council areas that already permit medium-density development.

The *Low Rise Medium Density Code* was passed in April 2018,<sup>15</sup> and commenced in a limited form in New South Wales in July 2018. However, in May 2018, the NSW Planning Minister announced a deferment for 50 councils, permitting them to not comply with the new code. The code aimed to provide fast-track approvals for 'missing middle' medium density developments delivering 'terraces, one and two story dual occupancies, and manor houses'.<sup>16</sup> There were problems with the code, however – perhaps none more so than the fact that council areas that already prohibited medium density development would not be forced to comply with it.<sup>17</sup> There was also little tangible infrastructure or service provision plans attached to the code, which exacerbated community concerns over the proposal, and inevitably led to the Local Government Association of New South Wales successfully lobby the Planning Minister to 'take a breath' on the plan.<sup>18</sup>

Medium density is a central component to accommodating a growing Sydney. The mistakes around the enactment of the medium density code, however, provide a cautionary tale for future reform efforts. From the outset, the plan saw medium density to be concentrated in areas already growing too fast, namely in Sydney's west. This allowed lower-density communities to avoid seeing medium density developments approved in their communities. Future medium density plans must orient developments towards lower density communities, and ensure that the community is adequately briefed about the vital infrastructure and services that will accompany the proposed development.

## Medium-density works, but must be distributed fairly

The Medium Density Code as it currently stands has not fairly distributed medium density development across Greater Sydney. The code must be amended to allow for the benefits and challenges associated with urban intensification to be more equitably distributed across Sydney.







## RECOMMENDATION 4: INCLUSIONARY ZONING MUST BE MANDATORY.

### KEY POINTS:

- Voluntary inclusionary, or inclusive, zoning schemes are proven to be ineffective in addressing housing affordability needs in Sydney.
- Exclusionary zoning can exacerbate intra-city inequality, and should be avoided.
- Mandating inclusive zoning will help grow the stock of affordable housing.

“Although social housing supply and renewal is being addressed through programs such as Communities Plus and the Social and Affordable Housing Fund, delivery needs to be accelerated to cope with the growing waiting list.”<sup>19</sup>

– GREATER SYDNEY COMMISSION

Inclusive zoning is a central weapon in Governments’ arsenal to combat inequities in a city. In effect, inclusive zoning links the development of affordable housing with that of regular market-rate housing projects. Often, inclusive zoning sees affordable housing stock mandated as part of a development. In Sydney, however, inclusive zoning tends to be voluntary. Some programs exist, but the growth in affordable housing stock remains low.

The ‘Communities Plus’ Program is just one of many solutions required

One major initiative of the New South Wales’ government’s affordable and social housing policy is the *Communities Plus* program.<sup>20</sup> *Communities Plus* dubs itself as an ‘innovative approach to social housing’, with its seven existing projects typically demonstrating public-private partnership style investments in ‘integrated communities’. There has been concern from many that major *Communities Plus* projects, like that in Waterloo announced in January 2019, result in public land being converted into for-profit development. The Waterloo project will see 6800 homes build in a small geographic area around half the size of the Green Square development, with around 25-30 per cent of floor space reserved for affordable and social housing.<sup>21</sup> *Communities Plus* is a start, but bigger projects are likely required in more diverse regions for to meet demand.

### CASE STUDY

#### The UK market is investing in affordable homes

In the UK, ‘Key Worker Living’ is a government funded scheme that helps key workers in London, the South East and East of England to buy or rent a home at an affordable price<sup>22</sup> and has plans to build over 50,000 new homes over the next decade. The British government has partnered with housing associations to meet the challenges that come with a growing population and the Australian government must do the same. In England and Scotland, it is expected that 20-40 percent of new housing developments will be affordable.<sup>23</sup>

### CASE STUDY

#### Inclusionary planning in the USA

In the US, direct methods to deliver homes to people on low and moderate incomes known as ‘inclusionary planning’ are widespread requiring developers to dedicate completed dwellings and/or make a financial contribution towards affordable housing as part of their development approval process.<sup>24</sup> There are now over 500 inclusionary planning schemes operating in municipalities across the US providing homes to a vast number of people. In San Francisco where the population is approximately 850,000, around 150-250 affordable units are constructed every year. This accounts for 12 percent of the city’s total supply.<sup>25</sup>



## CASE STUDY

### South Australia's affordable housing target

South Australia has already started inclusionary planning and its target announced in 2005 aims for 15 percent of significant new housing developments to be affordable.<sup>26</sup> By 2016, over 2000 affordable homes had been constructed with close to 4000 new ones being committed accounting in total for 17 per cent of new housing supply in South Australia. It is time for Sydney to follow suit and deliver affordable rental housing to its residents.

In NSW, an inclusionary zoning scheme pilot was introduced to Pyrmont and Ultimo in the mid 1990s which required developers to dedicate 0.8 to 3 per cent of the floor area of developments for affordable housing, or that a monetary contribution be made in lieu of direct affordable housing provision.<sup>27</sup> However, to date, the NSW state government and many in the development sector have favoured voluntary mechanisms over compulsory ones to supply affordable rental housing and so far, only about 1,300 dwellings (0.5 to 1 per cent) of Sydney's housing supply between 2009 and 2017 have been supplied this way. It is time for the government to make affordable housing a priority and partner with the housing sector and other community organisations to deliver non-negotiable housing outcomes.

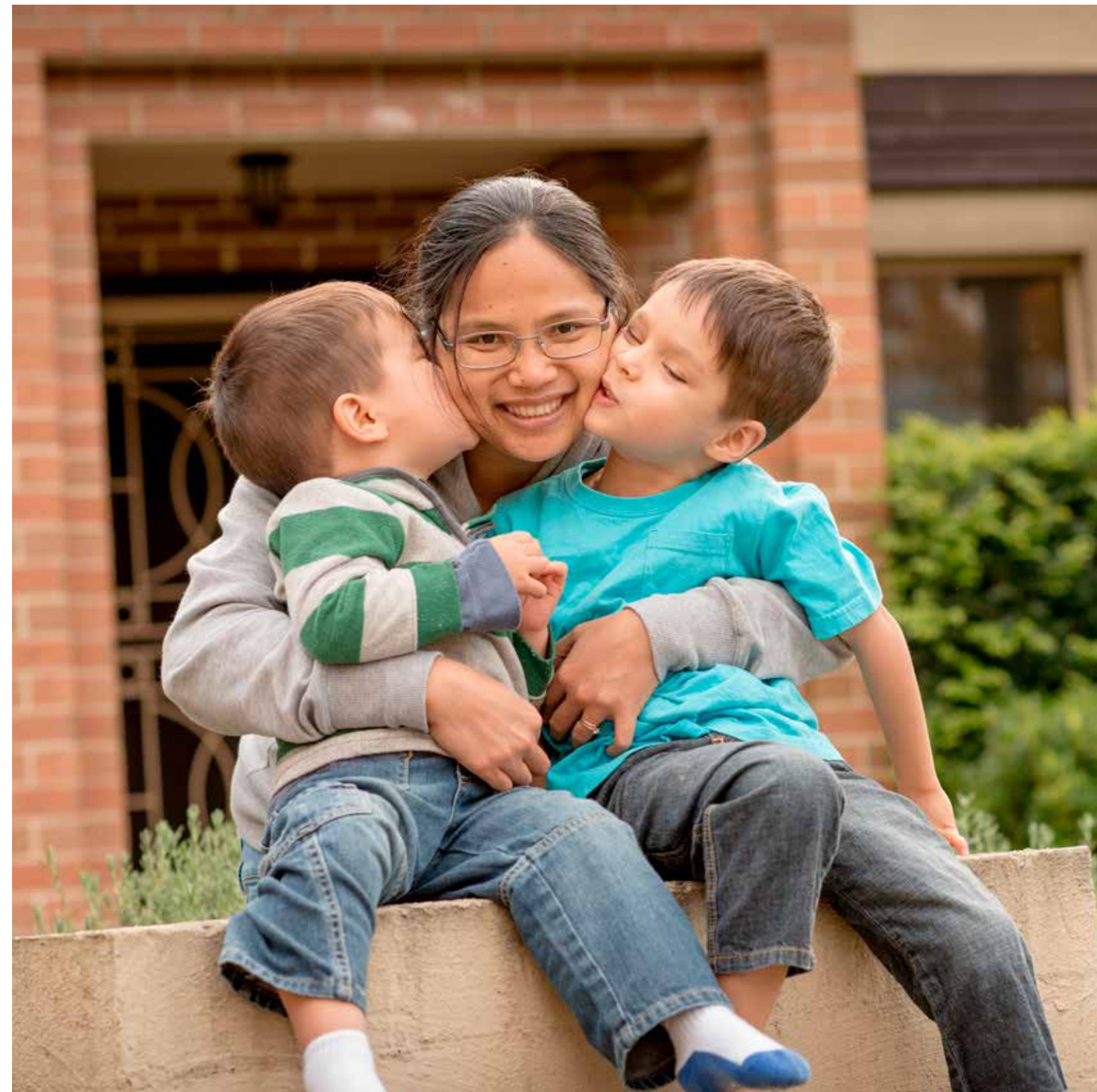
### Mandating inclusive zoning on new developments would increase affordable housing stock

Sydney is Australia's socio-economic capital recognised nationally and internationally for its vibrant contribution to the nation. It is critical that the city maintain and strengthen its diverse workforce that drives the economy and affords the opportunity for people on low and moderate incomes to access appropriately priced housing options in order for them to contribute to their employment sectors to the best of their ability.

A lack in affordable housing options can result in a vast social and economic polarisation that will reduce social welfare and undermine the notion of the fair-go that this nation has prided itself on for decades. By mandating inclusive zoning across the city, more affordable housing stock would be available across Greater Sydney.

### Inclusionary zoning must be at the heart of future developments

The virtues of inclusionary zoning are manifest. To ensure there is an increase in affordable and social house stock across all five planning districts in Sydney, the NSW Government must explore ways of mandating inclusive zoning on major projects.





## RECOMMENDATION 5: THE AFFORDABLE RENTAL HOUSING ACT (2009) MUST BE AMENDED TO ENCOURAGE LENGTHIER AFFORDABLE HOUSING TENURES BEYOND THE 10 YEARS REQUIRED IN THE ACT.

### KEY POINTS:

- The Affordable Housing Act (2009) allows developers to commit to affordable housing for only short periods of time.
- The Act allows for urban intensification projects to be blocked with ease.
- In order to grow housing affordability stock, the act should be amended to lengthen affordable housing tenures beyond the 10 years currently required.



### The Affordable Rental Housing Act has room for improvement

The Greater Sydney Commission's language mirrors aspects of the *State Environmental Planning Policy (Affordable Rental Housing) Act of 2009*, which – while setting in law a mechanism through which more affordable housing can be facilitated – maintains caveats which maintain the status quo. Section 16A of the Act states authorities must not consent to a development “unless it has taken into consideration whether the design of the development is compatible with the character of the local area.”<sup>28</sup> It is not surprising the Act would allow for local taste and character to be considered in new development proposals.

However, it provides a legal avenue for vital developments in lower-density areas to be blocked on character grounds. Further, the Act sets in stone the requirements for affordable housing in new developments to only be maintained for a 10-year period. In effect, a new development can allocate 5-10 per cent of its floorspace to affordable housing in line with the Greater Sydney Commission's guidelines, but only for a decade.

After that, the developers are entitled to remove affordable housing stock from the development. Such a policy exacerbates the tenuous nature of affordable housing in Sydney. The NSW Government should review the language in the Act to ensure it provides a long-term solution for Sydney's housing affordability challenges.



# RECOMMENDATION 6: THE NSW GOVERNMENT NEEDS TO INVEST IN MAJOR BUILD-TO-RENT SCHEMES AND AFFORDABLE HOUSING PROJECTS IN LOW-DENSITY SYDNEY PRECINCTS THAT HAVE DEMONSTRATED CONSISTENTLY LOW POPULATION GROWTH

## KEY POINTS:

- Increasing build-to-rent stock is key to solving housing affordability issues.
- Low-density.
- The NSW Government can invest in major build-to-rent and affordable housing schemes.

With uneven growth across Sydney's LGAs, government and local councils need to urgently invest in and plan affordable housing schemes in areas not sharing the load of Sydney's population growth.

According to research by PwC, the rental system in Australia is one of the world's most unstable and unaffordable.<sup>29</sup> This increases the burden on moderate income earners to be 'housed in locations with high amenity of living and community benefit that are also near to jobs and services'.<sup>30</sup> According to the Greater Sydney Commission's estimates, Sydney would need 725,000 new homes over the next two decades to cope with population growth. If the NSW Government and Sydney council does not work together to provide affordable housing and other build-to-rent schemes, the city may soon face a drain in key workers – nurses, police, firefighters, teachers etc. as they can no longer afford to live near where they work.

Affordability is the key issue for renters and home-buyers in Sydney. Government can help with adopting building schemes targeted at moderate and low-income earners in order. Affordable housing and social housing are two very different concept. Affordable housing applies to a broader range of household incomes and is not only applicable to lower income households.<sup>31</sup> Affordable rental housing is a 'dwelling provided to specifically accommodate a low-to-moderate income household. These dwellings are owned by private developers, investors, local governments, charitable organisations or community housing providers and are rented to eligible households at a discounted market rent, generally 80 per cent'.<sup>32</sup>

## Accommodating key workers is vital

Ideally, most people would prefer to live close to their work but the high price of real-estate and cost of living in and around the CBD means many families live on the fringes of Sydney. This can be changed with investment in affordable homes in and around the city surrounds where there is

capacity to accommodate more residents. This will lead to reduced commutes, better quality of life and key workers living close to where they are required.

Presently, there are close to 120,000 key workers (nurses, police officers, firefighters, early childhood educators, teachers, social workers) living in Greater Sydney accounting for six percent of the total Sydney workforce.<sup>33</sup> Sixty percent of the key workers earn below the NSW annual average income of approximately \$60,000 and if affordable homes are not built quickly enough, the city will face a drain in key workers and vital service providers as these workers along with their families will increasingly be unable to afford living close to where they work.

Key workers who reside in suburbs with a higher concentration of moderate income workers spend 50 percent more time travelling to work compared to workers in the other suburbs in Sydney. Every 30 minutes that Sydney's key workers can save on their commute to work would generate \$815,000 in economic benefit. This could amount to an annual economic benefit of \$407 million and \$16 billion over the life time of these key workers.<sup>34</sup> This savings can be re-invested in the city and its services providing a boost to economic growth for all Sydney residents.

It is also vital that these affordable homes are located close to or at least in reasonable proximity to the CBD especially in areas that are low-density regions. This will alleviate the burden of over-crowding in the Western Sydney and Inner West areas and instead encourage key workers and other vital service workers to live in areas like Woollahara, Camden, Willoughby, and Kuringai councils as mentioned previously in the report.





### Affordable housing benefits the entire community

The main benefit of increasing the supply of affordable homes is the overall increase in the supply of homes that would lead to a cooling down of the housing market and its escalating prices and rents. Affordable housing can also be targeted towards people from low and moderate income households that face specific disadvantages and impediments in the market. Social housing can also help people with disabilities, mental illness, seniors, domestic abuse victims, and others impacted by trauma or ill-health can access affordable and built-to-rent homes provided by the government. But affordable housing and social housing shouldn't just be seen as a last resort for those who can't fend for themselves: it should be seen as an integral component for healthy communities.

Affordable housing contributes to children's educational outcomes and allows families to move to communities with stronger school systems.

This has a direct impact of the educational achievements of children and their ability to be productive assets in the labour market in the future. Targeted affordable housing schemes also leads to reduced over-crowding, a phenomenon that can have negative effects on individual families and affect the wellbeing of the broader community. Affordable home schemes also help families with health outcomes as housing related stress and residential instability is eliminated leading to a stronger community.<sup>35</sup> The benefits of having a healthy and sustainable housing sector cannot be underestimated.

### Greater Sydney Commission's affordable housing targets should be expanded

The Greater Sydney Commission acknowledges the challenges lower income households have in finding basic accommodation. As the GSC states:

“Lower income households (earning up to approximately \$67,600 per annum) without other financial support cannot afford the average rental cost for even more moderately priced areas of Greater Sydney, which are generally on the outskirts of Greater Sydney.

Cities require a range of workers to be close to centres and jobs. An absence of affordable housing often results in workers having to commute for long distances.”<sup>36</sup>

**- GREATER SYDNEY COMMISSION**

This reality shaped the GSC's recommendation that between 5-10 per cent of floorspace in new developments should be reserved or directed towards affordable and social housing.

These affordable housing targets are too modest. The GSC makes clear that what they are arguing for is what they deems realistic. Nevertheless, it is probable that – even if every development did include such affordability measures – the 5-10 per cent target is insufficient.

Greater Sydney Commission seems to accept that certain urban infill projects should not be expected to meet these targets as opposed to projects in land release areas:

“[There should be a] requirement to have a separate approach for land release areas and urban infill areas given the differing circumstances in relation to development costs, development processes and land acquisition.”<sup>37</sup>

**- GREATER SYDNEY COMMISSION**

The expectation that more expensive urban infill areas may not meet the affordable housing targets is concerning. Planning along these lines only serves to incentivises the creation of affordable and social housing stock in areas a great distance from vital infrastructure, employment opportunities and essential services. This undermines the very purpose of affordable housing. By orienting social and affordable housing growth to areas with fewer opportunities, those reliant on such housing are more likely to be locked into a scenario where they are unable to enter private rental markets or achieve home ownership. Over the long-term, this exacerbates the need for affordable housing measures. The assumption that social housing is only for certain areas stratifies our society.

### The NSW Government has a key role to play in major build-to-rent and affordable housing projects

The NSW Government can play a central role in increasing affordable and social housing stock in Sydney. Through Government investments in major projects and reforms to zoning laws, as explored in Recommendation 5, the NSW Government has the capacity to increase affordable housing stock in Sydney, allow key-workers closer access to employment, and manage a more equitable distribution of population growth across all five planning districts.



# RECOMMENDATION 7: THE NSW GOVERNMENT MUST IMPLEMENT A ‘LIVEABILITY COMPACT’ WITH THE PEOPLE OF SYDNEY, ENSURING FUTURE GROWTH PLANS EMBED MEASURABLE LIVEABILITY TARGETS.

## KEY POINTS:

- **Liveability targets must be front and centre in Sydney’s growth plans, matching best practice plans internationally.**
- **It is unsustainable for some communities to benefit from the virtues of living in a global city without accommodating some of the challenges associated with that dynamism.**

## Beyond ‘Transit Oriented Development’: Liveability for all must be a central policy goal

With Sydney’s population growth comes the perennial question of whether infrastructure and services can meet the demand. Indeed, much of the population debate is itself structured around whether or not infrastructure is meeting demand, with less exploration of broader community amenities that help facilitate a liveable environment. Much of Sydney’s current urban intensification could be considered ‘transit oriented development’, or TOD, which is a form of development that ‘typically concentrates growth around existing transit and retail centres’.<sup>38</sup> The high rates of growth along existing rail corridors in Sydney demonstrates this approach. Liveability means much more than simply being able to access public transport or major roads. Broader measures of liveability should form the centrepiece of growth plans in a city like Sydney, which some already feel has become unliveable.<sup>39</sup>

## International growth strategies often formalise livability targets

In Boston, for the first time in decades, its growth strategy and urban planning is taking social equity targets into consideration. The Imagine Boston 2030 plan<sup>40</sup> reflects Boston’s data driven approach to guiding long-term growth to boost quality of life, equity and resilience in every neighbourhood across Boston. “More than 15,000 residents contributed to inform the following goals: (1) encourage affordability, reduce displacement, and improve quality of life, (2) increase access to opportunity, (3) drive inclusive economic growth, (4) promote a healthy environment and prepare for climate change, and (5) invest in open space, arts & culture, transportation, and infrastructure. The metrics track progress in the following areas: housing cost burden, premature mortality, walkability,

safety, wealth gap disparity, childhood poverty, education, job creation, energy emissions, climate change, parks quality, commute modes, and arts and culture”.<sup>41</sup>

The Plan for Healthy Los Angeles provides a “roadmap for addressing the most basic and essential quality-of-life issues: safe neighbourhoods, a clean environment, access to health services, affordable housing, healthy and sustainably produced food, and the opportunity to thrive. By incorporating a stronger health lens to the City’s policies and practices, Los Angeles is committed to fostering great neighbourhoods that create fair and equitable opportunities for all Angelenos”.<sup>42</sup>

Its seven objectives are (1) Los Angeles, a Leader in Health and Equity, (2) A City Built for Health, (3) Bountiful Parks and Open Spaces, (4) Food that Nourishes the Body, Soul, and Environment, (5) An Environment Where Life Thrives, (6) Lifelong Opportunities for Learning and Prosperity and (7) Safe and Just Neighbourhoods.

Future growth plans and development codes should embrace measurable liveability targets, like those cited abroad.

## The benefits and burdens of a global city must be fairly distributed

Sydney residents benefit from living in one of the world’s great global cities. But as the city grows, the virtues of a large, dynamic city risk becoming less accessible for all its residents. Large cities are the economic engines of nations, and Australia is no exception. Sydney generates around a quarter of Australia’s total gross domestic product, and that economic capacity brings considerable opportunities. Many of Australia’s highest paying professions are located within Sydney and in greater numbers than in other parts of Australia. But a large, dynamic economy does not only consist of a large number of highly paid workers employed in high paying industries. It is





also supported by large numbers of workers on lower wages, in less secure work. This includes key workers, such as essential service personnel, teachers, nurses, medical professionals and aged care workers, who often find themselves buttressing against income ceilings within their respective industries that are considerably lower than some of their fellow residents. Sydney is made the city it is because of the contributions of those at all levels of the income and wealth spectrum.

It is unsustainable, in a global city of Sydney's population, for certain communities to maintain, in perpetuity, access to all the benefits that a diverse and growing population offers while failing to accommodate some of the challenges associated with that dynamism.

### Exclusionary zoning can exacerbate intra-city inequality

As cities grow, research has demonstrated that those in lower income brackets see their income and wealth grow in line with the city's broader growth, while those in higher income brackets tend to see their income 'agglomerate'. Sarka et al (2016) explored the nature of income inequality within Australian cities, arguing that "the larger the population, the greater the income agglomeration in the highest income categories".<sup>43</sup> Without policy responses, they found that:

"If total incomes and the incomes of top earners grow faster than city size, but not those of lower income earners, then most of the income that makes bigger cities richer is only going to the top earners."<sup>44</sup>

**- SARKA ET AL, 2016**

Overcoming growing inequality in a city requires the push towards 'spacial policies that support a mix of higher, middle and lower-income jobs in business districts to prevent agglomeration of the super-rich in pockets of the city'.<sup>45</sup> Doing so would not only require good jobs policy, but also the encouragement of a 'good spatial mix of all housing types'<sup>46</sup> near economic hubs and, in Sydney's case, across the Greater Sydney area. In other words, the key to creating a city of equal opportunity is planning for communities that harbour those in all income brackets, engaging in various types of work.

### Avoiding 'opportunity hoarding'

Poor urban planning can exacerbate the risks of phenomena such as 'opportunity hoarding' – a term that 'concerns the control of resources, defined in any number of ways, that allow certain groups to exclude others from access to said resources or benefits accruing to them'.<sup>47</sup> Over generations, a concentration of wealth within certain communities can lead to such communities maintaining better access to 'opportunities' of all kinds: better housing, better education, less invasive commutes, and so on. This is not

necessarily the manifestation of individual desire or selfishness within the communities benefiting, but can emerge as the result of poor planning that has seen communities 'ghettoise' on strict income and wealth lines over multiple generations. While Sydney – and Australia more broadly – does not demonstrate the excesses in income and wealth inequality that are seen in some countries, Sydney does remain an unequal city in terms of both wealth and income. Exclusionary planning that effectively delineates Sydney's population by income quintiles must be avoided.

### Towards a liveability compact

As explored above, the NSW Government has put forward detailed plans that seek to accommodate Sydney's growth in the past, but to mixed success. Future planning strategies require a broader consideration of the interests of Sydney's current and future population. Plans must move beyond Transit Oriented Development, and explore measurable determinants of liveability that go beyond conceptual frameworks, and instead can be tracked to see how Sydney's growth is impact its residents on a range of indicators.



# CONCLUSION

Despite the challenges tabled in this report, Sydney is still one of the world's great cities. It is the gateway to Australia, and the beating heart of Australia's economy.

For an increasing number of its residents, however, Sydney's success has become a mixed blessing.

While bringing new economic opportunities, Sydney's growth has been poorly managed. Services are strained and commutes are slow and congested. Alarming, Sydney's roads are now among the most congested in the world – out ranking famed congestion hot-spots like New York City, London and Rome.

Too often, certain communities face most of the challenges associated with a growing city. A divide has opened up in Sydney's suburbs. Western Sydney is under constant pressure as the growth of their communities outpaces the roll out of infrastructure and services, while Sydney's north and south face fewer challenges and lower rates of urban intensification.

This is unfair, and puts Sydney's egalitarian, welcoming nature at risk. Poor planning has exacerbated congestion, socio-economic disparity and made housing unaffordable for many.

Sydneysiders should not readily accept that the price of owning their own home is a long, slow commute. Or that living near work means a large chunk of their salary goes towards soaring rent.

Sydney will keep growing. That should be welcomed – with growth comes prosperity and the economic and cultural dynamism of a global city.

But with population growth comes the need for considerable foresight – particularly in the development of transport infrastructure and appropriate housing policy.

Getting the planning right not only means a better life for all Sydneysiders – old and new – but also helps to maintain community support for a vibrant, economically-vital migration program.

This report shows there is a better way to do it. A fairer and more equitable way. Sydney can manage its growing population and continue to improve the life of all of its residents, now and into the future.





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