



**NATIONAL URBAN POLICY  
CONSULTATION DRAFT  
URBIS SUBMISSION**



# ACKNOWLEDGEMENT OF COUNTRY

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Urbis acknowledges the Traditional Custodians of the lands we operate on.

We recognise and respect their continuing connection to these lands, waterways and ecosystems for over 60,000 years and pay our respects to their Elders past and present.

We recognise that First Nations sovereignty was never ceded and that this was and always will be First Nations land.

The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.

Title: Sacred River Dreaming  
Artist: Hayley Pigram  
Darug Nation  
Sydney, NSW

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# EXECUTIVE SUMMARY

**As a global leader in cities and urban development, Urbis is committed to shaping the future of Australia's cities and communities. We have reviewed the National Urban Policy Consultation Draft and are presenting this submission to offer insights that respond to a selection of the key urban challenges, goals and objectives that have been identified.**

We support the National Urban Policy's goal of creating more liveable, equitable, productive, sustainable, and resilient cities. However, we believe a more visionary discourse about Australia's urban future is needed. Urban policy is complex and requires a national framework that caters to diverse cities and urban environments. Strong leadership, governance, and clear direction for collaboration are essential.

We commend the Australian Government for reestablishing urban policy as a key national priority and for taking proactive steps to create a future-oriented agenda with a strong mandate for change. Innovation is key to addressing societal challenges and enabling our cities to thrive. By leading, the Australian Government can deliver a policy that prepares Australia for future generations.

This submission offers recommendations to the proposed actions outlined in the National Urban Policy. We believe these are crucial to achieving the policy objectives and maintaining Australia's economic growth and competitiveness. Immediate action is crucial to bridge these gaps, including the urgent tackling of housing affordability in our cities.

We hope this response aids the National Urban Policy preparation and we welcome further collaboration to assist.

Yours sincerely,

**Nathan Stribley**  
Director  
Urbis

**Caroline Tomiczek**  
Director  
Urbis

# INSIGHTS AND NATIONAL URBAN POLICY RESPONSE

## Urbis welcomes the Australian Government creating a shared vision for urban policy in Australia.

Our submission presents recommendations that respond to the consultation draft and draws on insights highlighted in [Urbis' 2022 City Leaders Survey](#), which presents a bellwether of sentiment on the priority issues that are top of mind for Australian city leaders nationally.

There is strong alignment between the themes and challenges the City Survey unearths, and those raised in the Australian Government's National Urban Policy. Australia cannot improve the liveability of its cities if governments, industry and community fail to address these issues:

1. Housing
2. Managing Urban Growth and Population Dynamics
3. Climate Change and Sustainable Development
4. Economic Competitiveness and Resilience
5. Equity and Inclusion.

The following sections are structured according to these issues and include our recommendations.

Australia's federated system of government disaggregates the differentiated roles and responsibilities of our cities across Australia's three levels of government. Within this system, the Australian Government plays an important and substantial role – as a leader, and as a partner and enabler of states, territories and local governments, as well as the private sector and community.

Our submission does not seek to respond to the breadth of policy areas covered in the consultation draft. Instead, it focuses on a subset and presents our response to some of the possible actions. We have also focused on the role of the Australian Government as a key actor in the national urban policy system. As an overview, we believe this role should include:

1. Establishing **consistent national standards and frameworks** for infrastructure, housing and urban development.
2. Aligning and improving how **sustainability and climate risk considerations** are integrated into national planning and development frameworks.
3. Utilising **incentives, funding and taxation reforms** to support affordable housing, transport and other critical infrastructure.
4. Ensuring **equitable access** to housing and employment to support vulnerable populations through inclusive policies and targeted support.
5. **Fostering innovation** by enabling and growing precincts to boost economic productivity and position Australia as global innovation leaders.
6. Enabling implementation by establishing **specific timeframes**, ensuring **continuous monitoring and evaluation** and defining **clear roles and responsibilities** for state, territory and local governments.



# HOUSING

**Urbis is acutely aware of the persistent and complex challenges of Australia’s housing system. In particular, the urgent and significant issue of housing affordability within our cities and regions.**

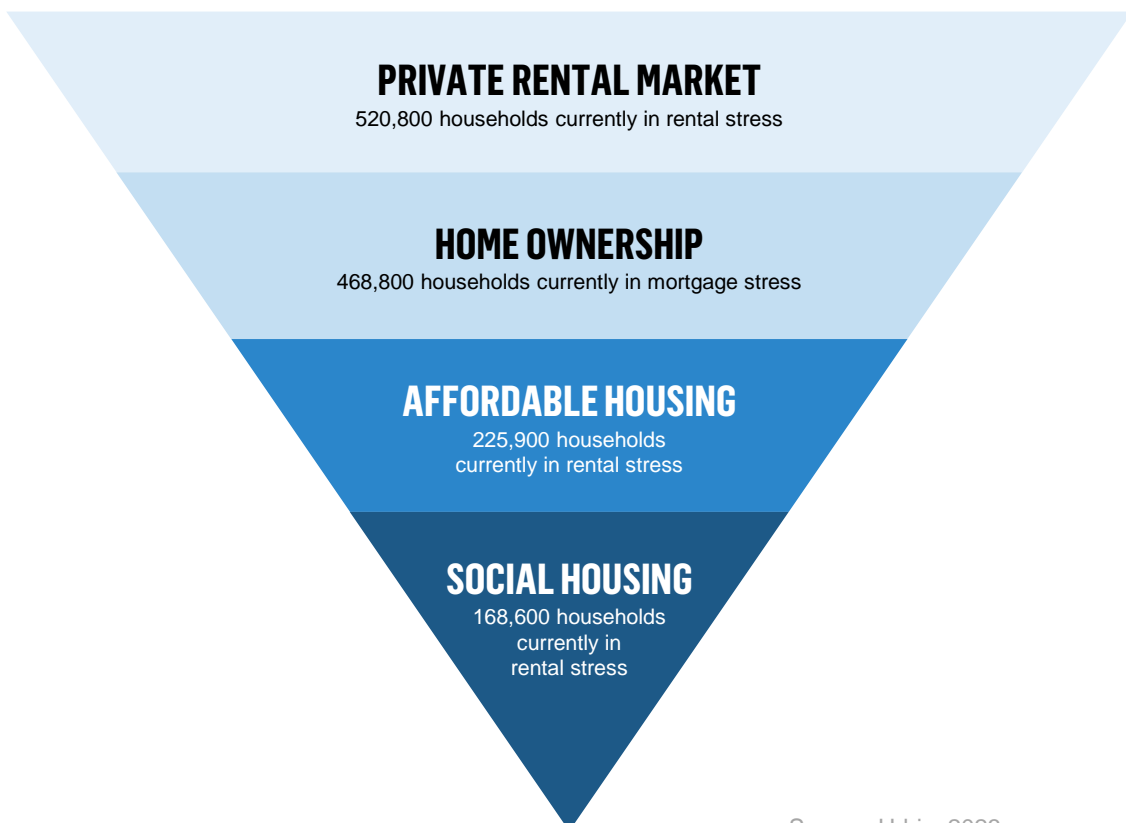
Australia is an attractive and welcoming country with high rates of population growth. It also features a changing demographic and cultural profile. This dynamic generates strong demand for a range of housing types without negating the need to address legacy issues across our housing system – such as responding to historic under investment in public housing over a sustained period.

Housing is not homogeneous and there are a variety of sub-markets and products. However, in aggregate, there is an ongoing shortfall of diverse, well-located housing mismatched with high and growing demand that is outpacing the market’s ability to supply.

The negative impacts of this are well documented. Not only does it impact people’s lives and the community, but it creates a significant impediment to the effective functioning of the economy.

In October 2023, Urbis submitted its National Housing and Homelessness Plan Issues Paper<sup>1</sup> – championing practical recommendations and a holistic approach to the wicked problem that is Australia’s housing market.

Evidence within this issues paper highlights a lack of suitable housing is affecting all aspects of the housing continuum (see Figure below).



Source: Urbis, 2023.

<sup>1</sup> [Urbis | Unlocking the Door: A plan to fix Australia’s Housing crisis](#)



**With rising rates of homelessness and housing market instability, there is an acute need for federal leadership to drive housing policy across all Australian states and territories.**

**We acknowledge the Australian Government has already taken positive action, establishing the Housing and Homelessness portfolios within Cabinet and releasing the Homes for Australia Plan. It is essential that the National Urban Policy supports these important moves, strengthening ongoing collaborative action across all tiers of government to address Australia's housing challenges for all Australians.**



**Urbis is supportive of the Australian Government's proposed action to expand innovative financing to encourage institutional investment in social and affordable housing.**

**Recommendation 1:** Urbis recommends the Australian Government leverage targeted and innovative investment to support partnerships between Community Housing Providers, the private sector and financiers, building on initiatives like the Housing Australia Future Fund.

Greater expansion of the Australian Government's support in this space provides the opportunity for better collaboration and quicker delivery of social and affordable housing, supporting social inclusion, equity and improved community outcomes.

**Recommendation 2:** Urbis also recommends alignment of targeted taxation reforms, such as the proposed managed investment trust (MIT) changes that will apply to Build to Rent (BTR) projects, stimulating new investment in newer forms of housing.

An expansion of government funding and alignment of taxation reforms provides the opportunity to stimulate investment in housing, to meet the current and future housing needs across Australia.

**Urbis is supportive of the Australian Government incentivising targeted increases to housing supply in the inner and middle rings of cities, particular those locations close to existing or planned infrastructure and amenity.**

**Recommendation 3:** Urbis recommends the Australian Government develop a vision and framework to achieve a material increase in housing supply in locations where it is appropriate and most needed by providing incentives and support for state, territory and local governments to deliver.

# MANAGING URBAN GROWTH AND POPULATION DYNAMICS

**Australia's population is expected to rise over the next decade to 30.9 million by 2034.<sup>2</sup> As an advanced economy, we are fortunate to have such strong rates of population growth enabled by a migration system that prioritises young and skilled cohorts – improving Australia's labour force matching and mitigating the effects of our ageing demographic profile.**

The overwhelming majority of Australia's population growth is occurring within our cities – especially our larger capital and regional cities. This is the result of new populations arriving from overseas and domestic populations relocating for lifestyle and economic opportunities. These are entrenched structural trends, consistent with global urbanisation patterns and are expected to continue for the foreseeable future.

There is not a uniform response to manage these trends. As Australia's urban population changes, government policies need to be equipped to manage different impacts in different locations – as some cities grow rapidly, while others experience stagnation, or decline. It is essential that the National Urban Policy establishes a framework to respond to this variability, while being acutely targeted at addressing our highest priority national challenges.

Effectively planning fast growing urban areas has long been one of Australia's most pertinent urban

policy challenges. In 2022, the Urbis National City Leaders Survey reinforced this finding. It also identified that public and private sector leaders felt managing population growth was one of Australia's greatest policy capability gaps – meaning that Australia's ability to manage its impacts were diminished due to its complexity.

This point is also made by Infrastructure Australia in its Planning Liveable Cities report<sup>3</sup>, which highlighted the need for more coordinated sequencing and delivery of infrastructure to align with new housing development. This includes utilities, transport, schools, hospitals, parks, and other community facilities that are essential assets in making a community liveable. The report warns that infrastructure and services have not been keeping pace with housing growth in our largest and fastest growing cities, negatively impacting quality of life and economic outcomes in these areas.

This is an area of opportunity for the National Urban Policy to address. There are inconsistent and inefficient growth planning approaches that could be improved under national leadership. One opportunity is for the Australian Government to support and encourage more effective cross-government and inter-government coordination of land use, capital and services planning within state, territory and local governments. This would require a shift from traditional siloed and sector-led planning to one focused more holistically on place-based needs.



<sup>2</sup> [Australian Government Centre for Population \(2023\). National Projections. Canberra. 3 July 2024.](#)

<sup>3</sup> <https://www.infrastructureaustralia.gov.au/publications/planning-liveable-cities-place-based-approach-sequencing-infrastructure-and-growth>

**Urbis is supportive of the Australian Government working collaboratively with state, territory and local governments, and community organisations to improve the integration of land use planning with infrastructure and services planning, as well as facilitating efficiencies and consistencies across land use planning systems. However, advocates that land use planning remains the principal remit of state, territory and local government.**

**Recommendation 4:** Urbis recommends that a comprehensive National Settlement Strategy is developed to manage population growth and ensure sustainable development. In addition, Urbis recommends incentivising and supporting the coordination of consistent long-term metropolitan and regional plans that align land use with infrastructure planning. This process should ensure alignment of population, housing, and employment projections, as well as planning horizons.

**Urbis is supportive of the Australian Government collaborating with state, territory and local governments and community organisations to establish a national planning framework for growth areas that includes standards for infrastructure and services. The framework should incorporate an ability to respond to regional variability and place-based needs while also promoting sustainable, inclusive development.**

**Recommendation 5:** Urbis recommends creating a national framework that can guide growth area planning across all states and territories to facilitate the coordinated delivery and appropriate sequencing of essential infrastructure and services to support growth areas.

**Urbis is supportive of the Australian Government collaborating with state, territory and local governments to support development in strategic locations that is enabled by transport plans and land use planning systems that encourage active transport and the creation of networks of local destinations with good connections and amenity.**

**Recommendation 6:** Urbis recommends creating a national guide or toolkit to encourage and enable state, territory and local governments to plan and implement well designed walkable, cyclable and accessible neighbourhoods. Implementation could be supported by linking this initiative to the new National Active Transport Fund.

# CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT

Climate change and the impacts on our cities, urban areas and communities is one of – if not the – most important policy challenge of this century. It is central to the National Urban Policy context and its response to Australia’s urban growth and development patterns.

Managing the impacts of climate change through urban policy is critical for promoting sustainable development at the national level in Australia. With our diverse ecosystems and vulnerable coastal cities, Australia faces significant climate-related challenges, including rising temperatures, extreme weather events, and sea-level rise.

The National Urban Policy should prioritise sustainable development to help mitigate the impacts of climate change by encouraging green infrastructure, energy-efficient buildings, and sustainable transport and mobility systems. National-level initiatives are essential to ensure consistent standards and resources across regions, enabling states, territories, and local governments to work constructively with the Australian Government to adapt to and mitigate climate change effectively. By integrating climate resilience into urban planning, Australia can protect its environment, economy, and communities for future generations.

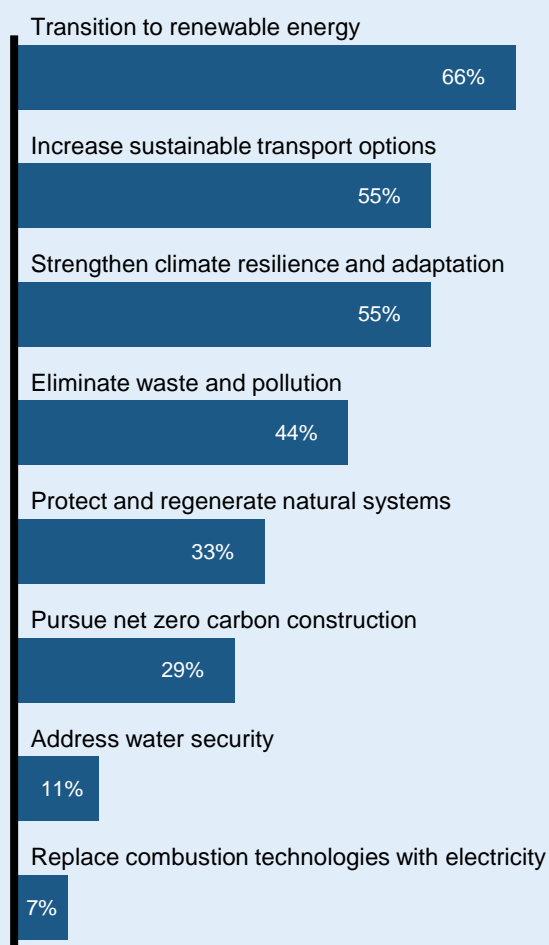
Guidance, frameworks, and standards for climate mitigation, along with localised climate adaptation solutions, are crucial to support urban areas to plan and implement sustainable development initiatives. Reducing operational and embodied emissions across the built environment, transport, and construction is essential for creating sustainable urban policies and development. These measures will help ensure that Australia’s cities are more resilient to climate change while promoting a healthier, more sustainable future for all residents.

In 2022, over half of the public and private sector city leaders surveyed by Urbis identified tackling climate change and delivering sustainable development in their top three priority challenges for Australian cities. They also strongly supported prioritisation of both mitigation and adaptation actions to fight against the effects of a changing climate (see Figure adjacent).

## CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT PRIORITIES

*Which three of the following climate change and sustainable development actions do you believe ought to be prioritised for your city?*

Percentage (%) of all respondents



Source: Urbis, 2022.

<sup>4</sup> [Urbis Future State | 2022 Australian City Leaders Survey](#)

**Urbis is supportive of the Australian Government collaborating with state, territory and local governments to reform urban planning and zoning to prioritise mixed-use neighbourhoods that are close to amenities and employment and encourage lower emissions travel. However, it should be cognisant of the incremental nature of this proposed action on emissions reductions without the support of other policies.**

**Recommendation 7:** Urbis recommends the Australian Government consider broadening the scope of the Sectoral Pathways to include the role that urban planning could play in supporting the Net Zero Plan as part of the built environment and transport sectoral investigations.

**Urbis is supportive of the Australian Government collaborating with state, territory and local governments to support supply chain boosts, improving access to cost-effective low- and zero-emissions vehicles, including electric vehicles.**

**Recommendation 8:** Urbis recommends the Australian Government continue to incentivise electric vehicle (EVs) and low and zero-emission transport modes, by providing guidance, timelines and targets for implementation – for example the phasing out of ICE (internal combustion engine) cars within a set timeframe or de-incentivising the import of ICE's through taxation. This cannot be done successfully without adequate support and sequenced delivery of essential EV infrastructure. The National Electric Vehicle Strategy and recent Transport and Infrastructure Net Zero Consultation Roadmap are also welcome and should be aligned with a future National Urban Policy.

**Urbis challenges the proposed Australian Government action to develop a national standard for considering disaster and climate risk in land use planning; and instead, recommends the development of a national framework to support states, territories and local government.**

**Recommendation 9:** Urbis recommends the Australian Government seek to develop a national framework in collaboration with state, territory and local government to guide their land use planning responses to disaster and climate risks within their relevant jurisdictions.

A national framework or action plan ensures that state, territory and local governments receive direction that enables them to consistently fulfill obligations when considering disasters and climate risk during land use planning processes.

Urbis sees an opportunity for the Australian Government to provide leadership for Australia's 500+ councils through provision of a unified and nationally consistent approach to addressing disaster management and the impacts of climate change in land use planning.

We also recommend the Australian Government consider providing or supporting the provision of detailed data to inform decision making, as well as providing incentives, targets and measurement frameworks to ensure consistent progress and evaluation of success in delivering outcomes.

# ECONOMIC COMPETITIVENESS AND RESILIENCE

**Australia's cities are significant economic powerhouses, contributing substantially to the nation's economic output. Almost 80% of our nation's GDP is derived from cities, which are home to around 70% of Australia's businesses and 75% of the productive labour force.**

Cities globally tend to have higher per capita GDP, higher productivity and faster growth rates than their national average. The most competitive are engines of national economies – driving business formation, innovation and growth, job creation, productivity and increases in citizens' wealth and income over time.

Many factors contribute to making cities competitive, such as high-quality infrastructure, a skilled workforce, competitive industries, links to global markets and quality of life. However, not all Australian cities are well equipped with these attributes, and not all cities are scaled or diversified enough to manage the structural or cyclical shocks they face.

This is a key challenge for the National Urban Policy. As urban centres are the primary drivers of economic activity, innovation, and employment, ensuring their robustness and adaptability is essential. We feel the core economic narrative and messaging should be strengthened within the consultation draft. A cohesive national policy should also provide clear strategic direction needed to harness the full potential of urban areas while addressing the unique challenges they face. This requires a policy that responds to the needs of our largest and most populous cities, as well as one that can support the needs of regional and smaller cities.

In 2022, the Urbis National City Leaders Survey highlighted this complex spectrum of challenges across both large and smaller cities. It provides insight at the city level that the greatest threats to Australia's urban economies take on different forms. For example, leaders of smaller capital and regional cities are more concerned about meeting future skills needs and the effects of population changes and ageing than leaders from our largest cities.



<sup>5</sup> [Urbis Future State | 2022 Australian City Leaders Survey](#)

# THREATS TO ECONOMIC GROWTH AND COMPETITIVENESS

Which three of the following do you believe present the greatest threats to the economic growth and competitiveness of your city?

Percentage (%) of all respondents

|  | Sydney | Melbourne | Brisbane | Perth | Small Cap/Reg |
|--|--------|-----------|----------|-------|---------------|
| Inability to meet future skills needs                              | 56     | 44        | 44       | 67    | 83            |
| Underinvestment in critical social and economic infrastructure     | 56     | 37        | 44       | 42    | 33            |
| Failure to diversify into high value/high growth sectors           | 28     | 48        | 56       | 33    | 25            |
| Geopolitical shifts and changes in the global trade landscape      | 28     | 41        | 50       | 50    | 17            |
| Population growth and aging  | 28     | 22        | 6        | 33    | 67            |
| Slow transition to green economy                                   | 28     | 33        | 38       | 8     | 25            |
| Declining liveability  | 33     | 22        | 25       | 8     | 17            |
| Underperforming regional innovation and entrepreneurial ecosystems | 11     | 11        | 25       | 8     | 17            |
| Sluggish adoption and diffusion of technology                      | 17     | 19        | 6        | 0     | 8             |
| Reputation of the city   | 6      | 11        | 0        | 42    | 0             |
| Uncertain foreign investment                                       | 11     | 11        | 6        | 8     | 8             |

Source: Urbis, 2022.

**Urbis supports the Australian Government to collaborate with state, territory and local governments, and the private sector to identify and capitalise on innovation and growth precincts that will support our future industries.**

**Recommendation 10:** Urbis recommends that the Australian Government plays a leading role in identifying and promoting innovation on a national scale, to position Australia as a global leader in innovation. This requires strong collaboration and partnership with state and territory governments to identify opportunities for innovation and growth precincts that can leverage existing locational characteristics, key anchors for investment and can be supported by government policies.

Urbis advocates for the development of a comprehensive national strategy to attract international market investment into innovation that supports economic activity to be targeted within key growth precincts. This strategy should serve as a framework for guiding and leading place-based development across Australia’s states and territories – reinforcing Australia’s global identity as a hub of innovation and global talent that is focused on enhancing our commercialisation activities.

**Urbis supports the Australian Government to investment in, and provide support to state, territory and local governments and the private sector to enhance the visitor experience of our tourism and sports precincts through infrastructure and amenity improvements.**

**Recommendation 11:** Urbis recommends that the Australian Government continues to invest in the planning and delivery of major transport, accommodation and public amenities to enhance tourism and visitor experience. This should include collaboration with key industry bodies, NGOs and community to undertake a gap analysis and needs assessment of current amenities/options across states and play a coordinating role in line with THRIVE 2030 to enhance the visitor economy and experience.

The Australian Government should provide support to promote and attract international investment into tourism and sport precincts to continue to sustainably fund infrastructure and amenity upgrades to deliver high quality facilities and engage community.

By taking these actions, the Commonwealth will be well positioned to capitalise on opportunities in the tourism and sport sectors in the lead up to Brisbane 2032 and beyond.

# EQUITY AND INCLUSION

**Australia's cities and communities are diverse tapestries of cultures, experiences, and aspirations, and it is essential that urban planning and development reflect this diversity. Our cities should be constructed in a way that ensures that anyone, regardless of their background or circumstances, has equal opportunity to participate in and benefit from the economic, social, and cultural life of our cities.**

Emerging economic headwinds driven by geopolitical tensions, supply chain driven inflationary pressures, rising interest rates and skills shortages make the outlook for cities and broader Australian society more challenging. As a nation, we need to develop targeted interventions that promote social inclusion and ensure that no one or group is worse off because of their position in society. Urbis acknowledges that this has been recognised by the Australian Government through the consultation draft and supports the identification of Equity as a core National Urban Policy 'goal' and the identification of 'objectives' that are anchored in the concept of inclusion and equity.

Achieving these aspirations requires leadership from the Australian Government to address clear areas where equity and inclusion should be prioritised. Housing supply, affordability and security have emerged as critical drivers of inequity in our cities. If these issues remain unchecked, they will erode the valued structural fabric of Australian society.

Housing affordability, which has headlined the national agenda in recent times, was cited in 2022 by Australian city leaders as the standout factor driving inequality in Australian cities. Today, governments across the nation rightly have this high on their policy priorities. Real wage growth has stagnated while the cost of housing has increased. This has wide ranging implications, creating disproportionate effects for welfare recipients and low-middle income households – many of whom play a vital role in operating essential services that are critical to the community, including schools, hospitals, food supply, transport, utilities and social services.

Additionally, the historic and continuing effects of colonisation have led to systemic inequalities in access to capital and land among First Nations people. Homeownership rates for Aboriginal and Torres Strait Islander people are significantly below those of other Australians, and twice as many are renters. With housing security foundational to social and emotional wellbeing, and an enabler of economic inclusion, the gap in housing outcomes represents and perpetuates the relative disadvantages experienced by First Nations people.

Governments should be aspiring for our housing system to enable social and economic participation, and that the benefits of home ownership are attainable for those who aspire to it.





**Urbis is supportive of the Australian Government collaborating with state, territory and local governments to leverage the knowledge and experience of First Nations and multicultural communities to develop better, more innovative solutions to urban challenges, including housing solutions.**

Recommendation 12: Urbis recommends the Australian Government seek to strengthen partnerships and work collaboratively with First Nations and multicultural community organisations across states and territories to embed intercultural approaches and foster meaningful, culturally sensitive engagement and knowledge sharing to guide planning and delivery of housing solutions.

**Urbis is supportive of the Australian Government supporting and investing in the development of secure, accessible housing closer to jobs, particularly affordable housing for key workers to access inner city jobs.**

Recommendation 13: Urbis recommends the Australian Government provide funding and incentives to increase the supply of well located, high quality affordable housing for key workers and other cohorts, enabling state and territory governments, community housing providers and the private sector to deliver.

Affordable housing should consider locations with easy of access to health, education and social services to promote equality and access to services and enable economic mobility.

Recommendation 14: Urbis recommends the Australian Government should provide guidance or support to state and territory governments to improve standards for affordable housing, including key features and requirements to ensure a diverse array of product can be supplied to suit the full spectrum of affordable housing needs.



# ABOUT URBIS

Urbis is a global urban consultancy committed to shaping cities and communities for a brighter future. As trusted strategic advisors to government and key decision makers, we leverage our network of brilliant minds to deliver innovative, evidence-based solutions.

Our expertise spans planning, design, heritage, policy, valuations, transactions, economics, strategy, and research. We're not just consultants, we're partners in creating sustainable social, built, and natural environments. Engage with Urbis and connect to a better outcome, every time.

## KEY CONTRIBUTORS

**Nathan Stribley**  
Director, Urbis

**Caroline Tomiczek**  
Director, Urbis

**Kate Meyrick**  
Director, Urbis

**Mark Dawson**  
Director, Urbis

**Brenton Reynolds**  
Director, Urbis

