



More Than Luck

IDEAS AUSTRALIA NEEDS NOW

Edited by Mark Davis & Miriam Lyons

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“Greening the grey
fields can help
regenerate declining
middle suburbs.”

Sustainable cities

By Peter Newman

THE NEED FOR a federal response to sustainability has been growing and should be a critical part of the Gillard Government's new term. The bipartisan House of Representatives Environment Committee wrote an exceptional report in 2005 called Sustainable Cities. It had a series of very good strategies and policy suggestions – most of which have not been implemented.

The issues covered in the 2005 report have moved on somewhat although the core idea remains that Australian cities need to reduce their ecological footprint from their resource consumption whilst improving their liveability. Australian cities like all cities have been improving their liveability for centuries but at the expense of their ecological footprint. Now is a global imperative and economic opportunity to reduce their carbon emissions, their oil vulnerability and their water usage whilst making better communities, better housing, better transport and better businesses. That is the global challenge and we have an important responsibility to help lead this process.

This chapter will provide some suggestions for ten ways to proceed.

POLICY CONTEXT

The constitution makes it quite clear that management of land and cities is a state responsibility and through states this has been devolved to a partnership with local governments. It is a bipartisan policy in all our states and territories to plan and provide infrastructure to shape the economy, the environment and the community in our cities. However at federal level, this policy arena has been less bipartisan and the ALP has been more active at intervening to assist in this agenda. The Department of Urban and Regional Development (DURD) experiment under Whitlam and Better Cities under Hawke-Keating were the main results. This was until the 2005 House of Representatives Report that was supported by all parties on the Committee and continues to have bipartisan support, at least in theory, as the Coalition has a spokesperson on Sustainable Cities.

The Rudd-Gillard Government's main response has been to establish Infrastructure Australia with a mandate to include the 'transformation of our cities'. This independent body with half of its Council from the private sector has established a new way of doing infrastructure planning in Australia. The requirements to access federal funding now include the need to show how infrastructure will impact on the city (in other words infrastructure bids

must include full strategic plans for the city) and they must also show how they are going to reduce carbon. The result has been an historic allocation of over half of the Infrastructure Australia funds to urban rail with the goal of doubling the capacity of each city's urban rail capacity. Infrastructure Australia is now accepted on a bipartisan basis as the authority on how to assess and evaluate infrastructure proposals and internally the biggest shift has been to see Treasury officials recognise the need for planning.

There are three main elements to development of sustainability at a federal level.

Infrastructure Australia

Since the 2005 report we have seen the remarkable rise in concern over climate change sparked by Al Gore's global campaign, the growing awareness from the IPCC that the science was now irrevocably pointing to the need for global action and from Nicholas Stern that the economic time for action was now. This issue clearly spelled the need for a federal response and both Kevin Rudd and Malcolm Turnbull focused on how to make a carbon trading scheme that could make it through the Senate. Both have now gone as they couldn't find a way through the political morass to deliver on this difficult task.

Price on carbon

A price on carbon is obviously needed and is a federal responsibility at the front end of the economy. However, the majority of the carbon is used in our cities and hence there also needs to be an end-user approach that simultaneously attempts to produce more sustainable, less carbon-intensive cities. Both are needed in the long term as prices can't be responded to without structural changes such as better urban public transport to enable people to use cars less. This raises the question of the extent to which federal governments can get involved in the planning and delivery of infrastructure in cities.

Planning

In the past year, the population issue and the need for more affordable housing that is well located to avoid excessive travel, have also focused the need for our cities to be better planned. Over 70 per cent of Australians still want to see action on climate change, peak oil demands we do something about fuel consumption, and we all want to see better infrastructure in our cities if we are to accommodate the kind of growth in population we are facing.

POLICY RECOMMENDATIONS

1. Use the Resource Tax to help fund infrastructure

Problem

The importance of tax as a way of achieving common good outcomes is always contentious but there are some clear and obvious deficiencies in Australia's infrastructure that are not contentious at all – they just need money to fix them. The big cities, especially Sydney, have a big deficiency in public transport capacity. Infrastructure Australia has ploughed \$4.6 billion into urban rail in an historic set of infrastructure decisions. However this is just the start and Sydney and Brisbane missed out as their plans were not ready. The private sector will help with partnership funding, as will state and local governments but the foundation needs to be Federal funding.

Solution

Sixty per cent of the Resource Tax should be hypothecated (40 per cent in cities and 20 per cent in regions) evaluated by Infrastructure Australia to produce the most economic and sustainable outcomes. Hypothecated infrastructure funding is needed for our cities and for our regions. Just as Sydney needs urban rail, the Pilbara and other mining-related towns such as Mackay and Gladstone also need fundamental infrastructure to enable them to survive and thrive under enormous growth pressures. Infrastructure Australia should continue to be the source of advice on all these projects.

2. Integrate regional infrastructure and land use

Problem

The Infrastructure Australia approach has been to say “no plans – no money” when it comes to infrastructure decisions. No more are lists of infrastructure distributed on the basis of political need, they are assessed and evaluated on a “needs basis” with a set of criteria which include the need to demonstrate reduced carbon as well as improved productivity and liveability. These processes have led to a sea change in state and local government planning as there can be no simple lobbying to determine need, it must be set out in a plan.

Solution

Federal government involvement in planning begins with the need to demonstrate how its money will solve issues in our cities and regions in the long term. This needs to be properly mainstreamed in the strategic and statutory

planning schemes developed in each state for their cities and regions, especially how to deliver Transit Oriented Developments. For this we need to see how the outcomes of the plan from the infrastructure investment will be delivered. That is, the governance of our cities and regions needs to be overhauled to show how it can provide solutions to these needs. Regional governance is still not as obvious as it should be in Australian cities and regions.

3. Base federal funding to the states and local governments on reducing carbon and oil

Problem

The principle of not releasing money to states and local government unless particular national agendas are being met should be expanded into all federal money. It should include the need to demonstrate reduced carbon and especially reduced oil. Kevin Rudd announced this in his powerful speech given to the Australian Business Council in October 2008

Solution

This needs to be translated into mainstream delivery. Climate change and peak oil are not going away, they are based in geophysical reality. We must address them in every level of government, beginning with the federal process of funding. The most significant policy implication is that the federal government needs to require state and local government Climate Change and Peak Oil Strategies. All federal funding to states needs to be contingent on demonstrating reduced carbon and oil in its outcomes, particularly local government funding.

4. Develop a national system of accrediting carbon neutral or low carbon buildings and urban development

Problem

The carbon efficiency of our building stock is now one of the worst in the world. The assessment of buildings for their energy efficiency has been a focus of much government activity at all levels in recent decades. The New South Wales system of BASIX with its requirement to reduce carbon and water by 40 per cent over average household levels was a public policy breakthrough. It is effective because it requires real numbers to be reached in the designs of every new building. Moreover, it is an online process that did away with excessive documentation and bureaucratic planning processes. However the housing industry has not been happy with such radical treatment (though the New South Wales industry did adjust quite quickly and is producing a much better

product now than the other states) so they lobbied for the Victorian green star system. This has no strong data requirements, adopting instead a check list approach. This has become the national standard and although it can be ramped up it has not led to significant improvements in the carbon efficiency of our building stock. Similar issues now surround how we plan precincts. Is it possible to assess carbon reductions in subdivisions and redevelopment projects that involve more than single buildings and require infrastructure assessments?

Solution

There are a number of competing models but they again fall into the same public policy dilemma – do you enforce a standard such as reduction in carbon of 40 per cent or even carbon neutrality as they are about to do in the UK, or do you have a check list that requires very little? The New South Wales Government has developed PRECINX as a data-oriented model like BASIX and there are a range of other check-list based programs like Precinct from the Green Building Council. We should aim higher and see our global response to carbon by adopting a model such as PRECINX nationally.

5. Develop a Sustainable Cities demonstration program

Problem

There is no federal program to enable demonstration of productivity, sustainability and liveability in the same way that Better Cities did in the 1980s and 1990s. This program transformed our old inner cities, trapped in brownfield decay. Now we need to focus on greening the grey fields to help regenerate declining middle suburbs.

Solution

The best demonstrations of sustainability in our cities have been collected globally in my books *Resilient Cities* and *Green Urbanism Down Under*, and the next phase of sustainable cities worldwide is unfolding every day in new opportunities and competitions between green cities. These areas are redeveloping using market approaches that subdivide each house and yard with three or four units, but with no broad benefits in infrastructure or services. New models are needed for planning including spatial tools for determining the best places for precinct scale redevelopment, low carbon designs, engaging

the community and visualising the benefits of the project. A Sustainable Cities Demonstration program needs to be established between Innovation, Infrastructure and Climate Change and Energy Efficiency that can provide an opportunity for global best practice innovations in sustainable cities, especially regenerating the middle suburbs.

6. Establish a carbon credits scheme

Problem

The establishment of the *Carbon Trust* enables us to now seek how low carbon designs for buildings and for precincts could become eligible for carbon credits. An accreditation process needs to be established to enable this 'direct action' form of carbon trading to be facilitated. This process will require data through models like BASIX and PRECINX, so the sooner these are made into national standards the better.

Solution

A carbon credits scheme needs to be established by the Carbon Trust to enable any carbon neutral or low carbon building or urban development to claim these credits.

7. Policy review of renewable energy obstacles

Problem

The need for renewable energy to rapidly become the basis of our economy is demanding a range of policies such as the 20 per cent by 2020 regulation. There are however many simple barriers that continue to prevent renewable energy from being as easily rolled out as it should be. A national approach is needed, with a set of guidelines generated from the COAG-Federal Government process.

Solution

A policy review needs to be conducted of all barriers to small and large scale renewable energy in local and State planning and energy systems, especially in urban areas. Introducing a requirement for strategic environmental assessments to inform the siting of wind farms in regions could help clear away problems and help communities see their public and private benefits. In cities, the banning of solar water heaters and PV arrays in some local areas should not be allowed based on aesthetic grounds.

8. Review barriers to facilitation

Problem

There is a need for more high-level policy review that can clarify the many issues that confront the utilities, households, business, local and state government regulators.

Solution

Al Gore's so-called 'moonshot' for achieving rapid deployment of renewable energy is to use plug-in electric vehicles and smart grids to enable efficient and clever storage of fluctuating renewable energy loads and changing demand curves. The technology is becoming clearer and the federal government 'Smart Grid Smart City' project in Newcastle as well as the 'Solar Cities' projects are all providing valuable information on how to proceed.

9. Promotion of more active transport modes

Problem

The need to reduce car dependence and carbon dependence in our households and businesses is not just a matter of infrastructure, pricing and regulation, it is also a matter of education and lifestyle choices. The first signs of a decline in car use per person have begun to set in to all Australian (and US) cities as well as booming public transport and increasing densities – thus reversing at least five decades of increasing car dependence.

Solution

A special fund for the promotion of active transport modes and sustainable lifestyles in general needs to be established, including the provisions of TravelSmart and LivingSmart type behaviour programs.

a) EXPANSION OF TRAVELSMART

The TravelSmart program, first started in Perth, has now spread across all states, the UK and six US cities. It has been universally finding that 15 per cent of motorised travel can be shifted to more sustainable modes, especially short trips by walking and cycling. With additional funding, more households and more businesses can be part of this process that enables them to find assistance to change. It creates benefits in terms of infrastructure cost savings but also in generating hope for the future. TravelSmart should have a Federal program supporting it across all

cities and regions, especially as peak oil appears to have happened and households will experience significant hardship unless they can begin to reduce their car and fuel use.

b) EXPANSION OF LIVINGSMART

LivingSmart is a translation of TravelSmart into a household program for reducing carbon emissions from using energy and water, generating waste and travelling. It is an integrated program where households in the trial have achieved savings of around one tonne of greenhouse gas. The project is based on individualised approaches that can enable households (and workplaces) to make informed choices on their options for appliances, materials, and lifestyle choices. It needs to become a federal program to enable the 600,000 households that have had Household Sustainability Assessments to receive more personalised follow-up.

10. Remote Indigenous Settlements programs

Problem

The moral dilemma of the 21st Century is probably climate change but the moral dilemma of the past few centuries was slavery and Indigenous rights. We have a chance to be a leader on climate change but we certainly have not led on indigenous policy issues. This remains part of our unfinished business. Several initiatives have been taken to Close the Gap and invariably feature housing and local services but never address the problem of poor road access to remote Indigenous settlements.

Solution

A Remote Indigenous Settlements program would integrate the need for better access, and better housing and local infrastructure should be established with an emphasis on the training of Indigenous people. It is time to develop an Indigenous Infrastructure Fund that can link Indigenous settlements on a core and spoke model and enable them to have the same services as other local government areas. A governance arrangement that can assist Indigenous corporations to apply for funds in a way that can improve productivity (through training) and environmental and social goals, should be developed (similar to the way that Infrastructure Australia works in partnership with state government agencies to improve their applications).

CONCLUSION

Sustainable cities will remain unfinished business for the next 20-30 years as we respond to the wicked problems of climate change and peak oil as well as to the ongoing issues of population growth and affordable housing. Governments will come and go in this time but it is necessary to establish a clear role for the federal government in the planning of our cities. This cannot be an on-again/off-again policy arena as the issues demand a long term approach with many new approaches and demonstrations. The need for federal government commitment in policy and resources to sustainable cities programs will become a bigger and bigger political issue as the scenarios of the IPCC, Stern and the peak oil pundits begin to work out in every day life.

“Australia has
some of the
best low carbon
resources and
opportunities in
the world.”

Facing our limits

By Ian Dunlop