

Regional Strengths and Infrastructure Gaps

Regional Analysis:
Australian Capital Territory



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6.1 Australian Capital Territory



Molonglo Valley, Australian Capital Territory

6.1.1 Australian Capital Territory

The Australian Capital Territory (ACT) plays host to significant cultural, research and educational institutions, as well as innovative collaborations between industry and government bodies. As the nation's political centre and with a diverse tertiary education sector and a strong public service Canberra presents unique opportunities for collaboration and supporting services and industries.



The ACT has experienced significant population growth over the past two decades.¹ In particular, Canberra has seen both greater urban density and a strategic shift to accommodate growth within the existing urban area. This growth has brought about challenges in strategic land use planning, housing affordability, residential, industrial and employment land supply.

Liveability and environmental sustainability are key priorities for strategic planning in the ACT Planning Strategy 2018 which looks to transition to net zero carbon emissions by 2045, build cohesive communities and create a compact and efficient city.² This will enable the ACT to continue to develop as an attractive place to live, work and visit.

Strengths

Key existing assets

Economic	Gateway ports	Canberra Airport connects the ACT to domestic and international destinations, and provides connectivity for emergency healthcare.
Natural	Climate and topography	The region's arable land and climatic conditions support approximately 160 farms and similar enterprises which cover 15% of total land. ³
	Natural environments	National parks, nature reserves, lakes and mountains account for over 46% of the region's land area. ⁴
Social	Education and research institutions	Tertiary education and research institutions such as Australian National University, University of Canberra, University of New South Wales Canberra at the Australian Defence Force Academy, Charles Sturt University, Australian Catholic University, Canberra Institute of Technology and CSIRO attract students and knowledge sector workers from both Australia and overseas.
	Community infrastructure	Multiple nationally significant arts and cultural institutions, such as the Australian War Memorial, National Gallery of Australia, National Portrait Gallery, National Museum of Australia, provide high social value and attract many visitors.
	Health infrastructure	The region acts as a health services hub for surrounding regions with specialised medical services, aged care and health innovation.

Key regional growth industries

Healthcare and social assistance	Knowledge sector	Defence
<p>The ACT’s health and social assistance sector provides a range of services to a diverse population, including neighbouring NSW regions. The population is expected to increase by 16.9% from 2017 to 2027 and drive industry demand.⁵ Investment in digital solutions to healthcare is predicted to uplift the quality and efficiency of health infrastructure and services.⁶</p>	<p>ACT’s knowledge sector is supported by world-class tertiary education facilities, research institutions and a strong entrepreneurial network.⁷ Within Canberra, the tertiary industry accounts for 20,000 full time jobs, and contributes \$3.3 billion to the local economy.⁸ The strong collaboration between research and industry has fostered greater public and private sector innovation to strengthen other industries.⁹ This also includes leading sector capabilities such as the space industry,¹⁰ cyber security,¹¹ ICT and E-Gov¹² and others.</p>	<p>The ACT’s defence industry is well positioned for growth, supported by the country’s most highly educated workforce and strategic proximity to procuring agencies and key decision makers.¹³ The ACT’s planned \$200 billion defence investment over the next 10 years (from 2017) will boost the region’s defence industry, with economic modelling suggesting that for every \$1 billion spent on defence, the region’s Gross State Product will grow by \$1.4 billion, with the addition of 8,000 jobs created.¹⁴</p>



Lake Burley Griffin, Australian Capital Territory

Infrastructure gaps



Sector:	Transport
Sub-sector:	Public transport
Infrastructure gap:	Capacity, connectivity and quality of public transport

The Australian Capital Territory’s 2021 population of 432, 300 is forecast to surpass 477,00 by 2031.¹⁵ This population growth is expected to increase the number of trips by almost a third, with the volume of daily boardings on public transport to double by 2030.¹⁶ To cope with this demand, the region’s public transport infrastructure will need to adapt over the next five years to include improved capacity, better integration between existing networks through active transport for short trips, and more efficient rail transport links between Canberra and Sydney.¹⁷

Planning for the future of the region’s public transport infrastructure should be guided by city-wide integration, environmental sustainability, and accessibility principles. An integrated public transport network which enables ease of mode-shift between active transport, light rail and rapid and suburban bus routes will help facilitate connections and transport choice across the region.¹⁸ Accessible and inclusive transport will be particularly vital to providing equity of access for the 77,300 people with disability living in the Australian Capital Territory.¹⁹ Increasing a shift to emissions-free transport will be an increasing focus to achieve the region’s target of net zero emissions by 2045.²⁰

Key facts:

60%
of ACT’s
greenhouse gas
emissions come
from transport.²¹



57%
of households
have two or
more vehicles.²²



76.5%
of all trips are
made by private
vehicle.²³



Impact:

- In the past, growth in the region has been accommodated through new suburban developments on the edges of Canberra. This has resulted in heavy investment in new roads, increasing the reliance on private vehicles. Increasing shifts to the use of public transport will help reduce emissions.²⁴
- Improved passenger rail connectivity to cut travel times between Canberra and Sydney has been identified to help improve sustainability and cut congestion on these key passenger and freight routes.²⁵
- The region's transport network is predicted to become more congested and crowded by 2030. Economically, the daily cost of road congestion is forecast to increase from \$800,000 in 2016 to \$1.5 million in 2031 if investments are not made to improve the transport network.²⁶



Consultation feedback:

Consultation with stakeholders identified the public transport network as a significant priority, with a need to improve both intra- and inter-regional transport networks, particularly through rail connectivity to Sydney. This is expected to ease traffic congestion, support growth, and alleviate growing affordability pressures in the region. Currently, new land release at the region's fringe requires improved transport connections for better accessibility and reduced dependence on personal vehicles.

Stakeholders also identified additional infrastructure to support active transport options, such as cycling and walking, as being crucial to improving liveability in the region. Optimising this infrastructure was considered by workshop attendees as being an important element for making active transport viable for shorter trips throughout the region. Facilitating a shift to greater public transport was raised by many stakeholders as offering the potential to promote healthier and more vibrant communities.



Sector: Social infrastructure

Sub-sector: Housing

Infrastructure gap: Availability, diversity and affordability of housing

The Australian Capital Territory's economic prosperity and liveability has led to significant growth, with an estimated 3,000 new homes required each year to accommodate a projected population of 500,000 residents by 2030.²⁷ The Australian Capital Territory is the second most affordable state in which to buy a home, largely due to a high average weekly wage which sits at \$1,812 compared to the national average of \$1,585.²⁸ However, less than 5% of housing in the region is classed as affordable and there is a need to address a shortage of housing options for low-income households.²⁹

In recognition of the region's housing shortages, the *ACT Housing Strategy (2018)* set five strategic goals: to deliver an equitable, diverse and sustainable supply of housing, reduce homelessness, strengthen social housing assistance, increase affordable rental housing and increase affordable home ownership.³⁰ Key areas of need for the region in delivering improved housing outcomes include providing for 15% of new housing being designated as social and affordable housing, improved diversity of housing, and the renewal of existing social and community housing.³¹

With the key theme of a 'Compact and Efficient City', the *ACT Planning Strategy (2018)* sets a strategic direction supporting sustainable urban growth by "working towards delivering up to 70% of new housing within our existing urban footprint, and concentrating development in areas located close to the city centre, town and group centres and along key transit corridors".³² This strategic direction is underpinning ACT Government strategic priorities, investment and land release consistent with the territory's Indicative Land Release Program.³³ The Program is reviewed annually to manage the supply of land to meet the needs of a growing and changing Canberra, as well as responding to changing market conditions.

Key facts:

Rental vacancy rates have remained at or below

1%

vacancy rate,

from a total pool of approximately 73,000 private affordable rental homes.³⁴



7,960

low-income households pay over 30% of their income on rent.³⁵



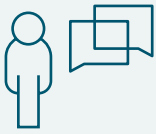
3,000

new homes required per annum to meet growing demand.³⁶



Impact:

- Strong population growth, high wages and low unemployment have led to affordability issues and resulted in crowding within low-income households in the private housing market. This has increased the demand for social housing and homelessness support.³⁷
- Low rental vacancy rates have remained at or below 1% for the past six years, making rental affordability challenging. In addition, properties that low-income families can afford are often of poor quality and not located close to employment and services.³⁸
- Home ownership rates for the region's lowest 40% of income households is at 54%, as there is low availability of lower cost homes for purchase.³⁹



Consultation feedback:

Addressing housing affordability and availability was identified as a key opportunity by stakeholders. Stakeholders noted that the cost of living in the region has increased over the past 20 years, with affordability of housing and rentals decreasing due to population and demand growth, limited land for expansion and housing developments not keeping pace with growth. Stakeholders expressed the view that these challenges will continue if the region's pipeline of public and social housing does not improve. With this being the case, addressing housing affordability and availability was identified as a key opportunity by stakeholders.

Workshop attendees also saw opportunities for the region in addressing these challenges, with many noting that housing affordability and availability may help to uplift liveability and ensure the socioeconomic divide does not widen. Improved access to housing is also expected to ensure that young people and older Australians are not locked out of the region's housing market.



Sector: Social infrastructure

Sub-sector: Green, blue and recreation

Infrastructure gap: Provision, quality and protection of green, blue and recreation infrastructure

High-quality green, blue and recreation infrastructure is crucial in ensuring sustainable growth and a high degree of liveability in the Australian Capital Territory. The region’s urban forest is a particularly valuable asset and is critical in supporting biodiversity, building resilience against climate change and pollution, and contributing to wellbeing outcomes. The ACT Government’s current target is to increase the canopy cover across the urban footprint to 30% by 2045 from 19% in 2015.⁴⁰ Enhancing green infrastructure is expected to provide social, economic and environmental benefits such as reducing pollution, encouraging outdoor activity, and decreasing health costs.

Blue and recreation infrastructure is also a priority for the role it plays in supporting wellbeing, alongside building stronger communities by providing places to make connections and build social networks.⁴¹ As the region grows, existing facilities will require renewal and upgrades as some are no longer fit-for-purpose, lack capacity or are reaching the end of their functional life.⁴²

Key facts:

The ACT aims to achieve
30%
canopy cover by
2045.⁴³



The ACT’s urban forest
is valued at
\$3.4
billion.⁴⁴



Some of the region’s key arts and
sporting facilities were built when
the population was under
200,000.⁴⁵



Impact:

- Projections show that the Australian Capital Territory will face an increasingly extreme and unpredictable climate, with hotter summers and longer heatwaves. This will increase the importance of green infrastructure to provide shade and reduce the urban heat island effect to maintain liveability.⁴⁶
- An integrated transport network is complemented by green infrastructure to promote micro-mobility and active transport behaviour.⁴⁷
- A lack of equal access to green, blue and recreation infrastructure risks exacerbating socioeconomic inequality, leaving some communities more vulnerable to health issues and climate change impacts.⁴⁸



Consultation feedback:

Sustainable growth, climate proofing of infrastructure and achieving positive social and wellbeing outcomes were identified as key priorities by stakeholders during regional consultation. Participants believed that protecting urban canopies and public green spaces will be crucial in mitigating the impacts of climate change and protecting vulnerable communities. Blue and recreation infrastructure, such as Lake Burley Griffin, was also seen as being essential in supporting a high quality of life.

Economic and social participation and inclusion were also identified by stakeholders as being significant in delivering positive, equitable social outcomes for the community. Workshop attendees also highlighted the role that community facilities and centres can play in natural disaster resilience in the region, as this infrastructure can act as shelter in times of need. Participants also raised the importance of ensuring that blue, green and recreation infrastructure were accessible and accommodated the region's ageing population.

Also raised by stakeholders was the importance of supporting capacity for greater food production in urban areas and green spaces, taking into account the need for shorter supply chains and products grown locally. RDA Australian Capital Territory has undertaken work in this space⁴⁹, noting that sustainable food production operates along a continuum with varying scales of interventions.

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