

Time to bridge the divide and do decentralisation properly

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If one was to drive out of Sydney's Martin Place and head in any direction out of the city, it would be some kilometres, minutes, and possibly hours, before they could spot their first horse. Such is the growth and urban sprawl of Australia's major cities that in addition to overcrowding, congestion and air pollution, the divide between the city and the country has become so great that country life feels almost as remote to some city-dwellers as the surface of the moon.

In the 2014 ABC documentary, *A Country Road*, Warren Truss observed that "80 percent of Australians are now born in the city and we don't spend the time in the country areas that we once did, and I think our country is the poorer for that". The former Nationals Leader and deputy prime minister was certainly on to something as the opportunity to be in touch with nature and enjoy the open spaces of the Australian countryside has obvious health and lifestyle benefits, not to mention the added business such visitors bring to struggling rural communities. Ultimately, closer personal and economic ties between city folk and their country cousins auger well for a more cohesive nation and will go some way to assuaging the grievances of country-dwellers who feel left behind by the advance of the cities.

One longer-term way to bring the city and country closer is to promote decentralisation; that is, to encourage more people in the major cities, both immigrants and Australian-born residents, to relocate to rural areas and regional cities. Rural cities offer not only the allure of a country lifestyle, but benefits such as friendlier neighbours, cleaner air, less traffic jams and much shorter commutes. Far from being rust-bucket outposts, many of these regional cities are sophisticated urban centres boasting quality schools and hospitals with a buzzing dining scene. The New England city of Armidale is home to Australia's oldest regional university offering a vibrant collegial life while the central-west city of Orange features whisky bars to rival those of Glebe or downtown Manhattan.

With recent debates about the level and impact of immigration on Australia, decentralisation provides not only a means to help bridge the city-country divide but also a mechanism to take the heat off population pressures on cities such as Sydney and Melbourne. At 4.7 million, Melbourne already has 75 per cent of Victoria's population while 65 per cent of NSW residents live in Sydney. This compares to Germany's largest city, Berlin, which at 3.5 million has just over 4 per cent of its nation's population, or London, that is home to just over 21 per cent of UK residents. Even the metropolis of Los Angeles at 13.1 million claims just a third of all Californians.

For proponents of a "Big Australia", the future trajectory of city population growth presents a sobering forecast. If existing patterns of settlement were to continue, an Australia of 50 million would mean a Sydney of over 10 million and a Melbourne of almost 10 million. Given the challenges this would pose for transport, infrastructure, housing affordability and the still sought-after "Australian dream" of a home and backyard, the case for decentralisation and a more even distribution of state-wide populations is more than compelling.

The vision for a more decentralised Australia should by no means be driven by a Luddite hankering to turn back the clock to a romanticist, pre-industrial life on the land. Urbanisation and cities are here to stay, and it is no coincidence that this is where a majority of Australians choose to work and raise families. As Nick Cater observed in *The Australian* back in June 2015, “cities thrive because of their efficiency” and millions of Australians find them “convenient, enlivening and enriching places” to live. Australia, therefore, must continue to accommodate the needs of existing city-dwellers, but at the same time, provide far greater incentives and support for those desiring to live in the country.

In contrast to some earlier attempts, the approach to decentralisation must be driven from the “bottom-up” with private enterprise playing a key role. In the early 1970s, the Whitlam government introduced a programme of urban decentralisation through the creation of “regional growth centres” such as Albury-Wodonga. Over time, however, the government-driven initiative failed to deliver the projected growth to these centres as neither individuals nor businesses relocated in sufficient numbers.

More recent decentralisation initiatives, such as the NSW government’s “evocities” campaign, have certainly been welcome but need supplementing by practical inducements to encourage first home-buyers and businesses to invest in the regions. Recently on Sydney radio, the NSW Nationals leader and Deputy Premier, John Barilaro, said the private sector needed to look beyond the “big end of town” and consider establishing corporate bases in regional districts. According to Barilaro, zonal taxation concessions and payroll tax relief for businesses starting in the regions would be helpful inducements. With Federal government plans for long-overdue company tax cuts, this could also enlarge the capacity for Australian enterprises to employ more people in country areas.

Another solution proposed, and one which is considered in the Page Research Centre's recent regional migration policy paper, is the implementation of policy to encourage immigrants to settle in regional areas. The paper proposes "inexpensive visa-linked incentives to make entry to the country conditional upon moving to a particular regional location." While this proposal recommends itself, there are some obvious drawbacks in that "these programs tend to involve more intervention with movers themselves, and prove difficult to enforce."

Despite the popular narrative of rural stagnation, encouraging signs are apparent. The Deputy Premier pointed to the creation of 67 000 jobs across regional NSW alone and the building of vital infrastructure. While Australia has long ceased to be "riding on the sheep's back", the regions remain home to burgeoning agribusinesses requiring skilled immigrants to fill new vacancies. If a truly grassroots-driven decentralisation trend can be sustained with heavy private sector input, it will accomplish far more than making a handful of "tree-changers" happy. A well-executed strategy of decentralisation will help reconcile the city with the country, resolve part of Australia's population conundrum, and reinvigorate the rural heartland of our nation as not simply a "nice place to live" but as a fresh frontier for free-enterprise and job creation.

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