

URBIS

INQUIRY INTO REGIONAL AUSTRALIA

URBIS RESPONSE

PREPARED FOR
**SELECT COMMITTEE
ON REGIONAL AUSTRALIA**
NOVEMBER 2019





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21 November 2019

Committee Secretary
Select Committee on Regional Australia
Parliament House
Canberra ACT 2600
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Dear Committee Secretary,

Submission on Inquiry into Regional Australia

Urbis is pleased provide this response to the Select Committee on Regional Australia's *Inquiry into Regional Australia* (the Inquiry). Urbis has one simple goal – to shape the cities and communities of Australia for a better future. We are deeply committed to supporting Australia's growth and we celebrate the breadth of diversity that exists within Australian society: from our nation's first people to its most recent arrivals.

We are united and focussed on addressing the significant issues facing Australia's cities and regions and believe there is a link between strong cities and prosperous regions. Australia's future prosperity depends on government, business and the community working together to support our cities and towns – and the people that inhabit them – no matter how big or small.

This submission responds to components of the Terms of Reference referred to the Select Committee by the House of Representative on 25 July 2019.

We look forward to ongoing collaborative engagement with the Committee and welcome the opportunity to participate at a public hearing if required.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Nathan Stribley".

Nathan Stribley
Director



INTRODUCTION

Our submission responds to the context of the Australian Government's policy agenda which is aimed at *'easing the pressures on Australia's big capitals and supporting the growth of smaller cities and regions.'*

The Government is utilising a range of policy levers to achieve this objective, including immigration, infrastructure and city policy and multicultural and community support.

We acknowledge there are range of economic, social and environmental issues facing regional Australia, including but not limited to, the devastating impact of the draught. Our submission acknowledges the critical and complex nature of the current regional policy context, and rather than seeking to address all these issues simultaneously, specifically focuses on the broader issues of regional city growth, planning and development.

IMMIGRATION AND ITS CONTRIBUTION TO AUSTRALIA

Australia's economic and social prosperity has been defined by immigration. Over the past seven decades, around seven million people have migrated to Australia. If immigration continues along its average long-term trajectory, it is projected to add another 13 million people by 2060. With more than one in four Australian residents born overseas, and close to half of the population with at least one parent born elsewhere, immigrants and their descendants make an important contribution to Australia's human capital and social fabric.¹

Since Federation, the Australian Government has taken an active role in developing immigration policy away from a system which was focused solely on settlement-based permanent immigration to support population growth and nation building, to a model that places a higher emphasis on younger, skilled migrants and also features temporary-stay migrants. This calibration of immigration policy towards young and skilled migrants – while also maintaining strong overall net overseas migration levels – has increased the resources, skills and knowledge available in our economy, boosting opportunities for all Australians.

This has been important for Australia to compete in the global context. Australia is a very large country located in a relatively isolated corner of the globe. It has a small population by world standards. Increasing the share of young skilled workers has been and will continue to be vital in driving productivity and innovation in the modern rapidly evolving global economy.

THE IMPORTANCE OF STRONG CITIES AND REGIONS

Australia is a highly urbanised country with more than two-thirds of the population living in five big cities, and around 80 per cent of the overall population in 21 cities. Not surprisingly, like the rest of the Australian population, cities are where most migrants settle. In 2016 at the last census, 83 per cent of the overseas-born population were living in capital cities, almost unchanged from 81 per cent in 1996.

And while the focus of this inquiry is on regional Australia, the importance of Australia's cities cannot be understated. Population growth and urban concentration is a global phenomenon and a key characteristic of a new metropolitan era, one that is being driven by technological evolution and the globalisation of trade and services. Notwithstanding the global connectivity that technology enables, it

¹ Productivity Commission, Migrant Intake into Australia (2016)

is the physical proximity, interactions and sharing of knowledge between people within the urban environment that is fundamental.

In this context the future success of regional Australia relies on strengthening its ties with the capital cities. Indeed, the creation of better regional cities – particularly those that are well-connected physically and economically with our major capitals – is essential to increasing the productivity of the wider regional catchments that are dependent on leveraging specialised services which are increasingly dispensed by cities.

The dividends can be great if this is done successfully. Well-developed cities which have a strong focus on place-making are attracting an expanding share of business, immigration, visitors, talent and capital flow. Capturing a greater share of these increasingly mobile economic inputs creates the underpinning for economic growth, which is required to raise living standards for all Australians. This global and national city competition is the context our cities and their surrounding regions operate in and it is one that is rapidly changing.

This new economy is altering the way cities and regions can establish and maintain competitive advantage. In this new era, attracting and retaining skilled populations has become the key factor of production and it is also a principal driver of growth across the globe.

Recent debate and subsequent policy changes introduced in the 2019-20 Budget have increased the focus on encouraging migrants to move to regional locations². This is considered a mutually beneficial exchange for both local communities and migrants themselves. Indeed, there are many successful examples of this occurring right across the country. Migrants have the potential to revitalise regional towns and stimulate their local economies while offering rich cultural diversity. Increasing regional settlement can also, to some degree, reduce the pressure on urban infrastructure.

However, it is important that policy makers are realistic about the quantum of benefits that regional settlement policies will bring to urban infrastructure issues in our major capitals. Global economic forces are driving the urbanisation of jobs, capital and people – especially in our largest capital cities like Melbourne, Sydney and Brisbane – and this is expected to continue. It is essential that planning and investment in productivity improving urban infrastructure continues at or above current trend to ensure that the functionality of our major cities can be improved while they continue to absorb high levels of population growth. It is also essential that governments continue to implement and explore new ways in which demand can be managed across urban infrastructure networks. Smarter utilisation of our existing infrastructure assets should have as much priority and focus as planning and building new infrastructure.

GROWING MAJOR REGIONAL CENTRES

Entrenched trends suggest the quantum of population growth occurring outside Australia's capital cities will be much lower over the coming decades as large numbers of people continue to be drawn to the economic and lifestyle opportunities that capital city locations provide. This does not mean there will be no growth in other locations. In fact, evidence suggests that several major regional centres have been growing at similar rates to major capital cities and at faster rates than smaller capitals.

² Department of Home Affairs classify this as most locations of Australia outside major cities: Sydney, Melbourne and Brisbane.

Population Growth Per Annum 2003-2018



Source: ABS; Urbis analysis

Note: The Significant Urban Area (SUA) structure of the Australian Statistical Geography Standard (ASGS) represents significant towns and cities of 10,000 people or more. Major Regional Centres are SAUs with resident population >80,000 at 2018 and include: Newcastle – Maitland, Sunshine Coast, Wollongong, Townsville, Geelong, Cairns, Toowoomba, Ballarat, Bendigo, Albury – Wodonga, Launceston, Mackay, Central Coast. Other Regional Centres are those SAUs with >10,000 and <80,000 resident population. Major Capitals include: Melbourne, Sydney, Brisbane and Perth. Minor Capitals include: Adelaide, Canberra, Darwin and Hobart.

Employment Growth Per Annum 2011-2016



Source: ABS; Urbis analysis

As Australia continues to strengthen its economic base as a knowledge-intensive, services driven economy, the amplifying benefits of people living and working in proximity are likely to remain. These benefits – known as agglomeration economies – are one of the principal drivers of urbanisation both here in Australia and globally.

While the attraction of agglomeration economies has typically been strongest in Australia’s largest cities, there has also been a trend of urban consolidation from smaller towns into larger regional centres.

The services provided by smaller towns, such as retail, banking and finance, machinery repairs, professional services, education, health, and cultural activities, have consolidated to larger regional towns and centres. Wagga Wagga in the Riverina (New South Wales) is an example of these changes. Again, these trends are driven by productivity, technological change, demography, personal choices and increasingly connected regions through trade in services. The ease of transport and the capacity to undertake transactions using the internet, mobile phones and satellite-based communications systems has facilitated this trend. There is also greater amenity associated with larger regional centres as well as access to a wider range of services (including schools, aged care services, hospitals and universities).

(Productivity Commission, Transitioning Regional Economies)

These larger regional centres are the focus of this submission. They play an important role in Australia's national context, they provide a diverse range of employment opportunities; act as major trade access points; provide important health care, education and government services; and, supply general amenities to a wider rural catchment.

CHANGING NATURE OF WORK

Dramatic improvements in technology and communications, and rapid evolution of the innovation economy, could have big effects on the way Australians work. In some industries it is already the case that a majority of workers now report working outside the main office 2.5 days a week or more.

More than 30 per cent of Australian employees worked from home in 2016, up from 20 per cent in 2001. Well over half of Australian SMEs are reported to have some remote working.

It is possible that remote, freelance working culture may spread more markedly from SMEs to the corporate and services economy. Attitudes and norms towards careers, family and work-life balance may change even faster than they are already.

Although agglomeration processes within cities will likely continue in this disruptive scenario, many more people may use technology to work across political boundaries and time zones. As a result, there will be more long-distance travel between cities, and more career moves between cities. This is already visible in the rise in commuting between Geelong and Melbourne, Gold Coast and Brisbane, and other locations.

MULTI-CITY REGIONS

If these trends reach a critical mass, it will mean that being digitally connected will become more important and more of a competitive part of a city and its surrounding region's offer. Talent will need to remain productive while on the move.

The economic and spatial integration of megaregions and multi-city regions and corridors will provide more and more scale advantages to compete globally. Smaller cities are pulled into the gravitational field of larger cities, and the logic is to look to improve their connectivity and join together to foster 'borrowed scale' and become more complementary and functionally integrated. The rise of these regions is underpinned by a variety of factors:

- The advent of intercity commuting



- Shared airports, trading functions, cultural institutions and sports teams
- More advanced industry supply and value chains
- Joint inputs into a regional/cross-border innovation eco-system
- The benefits of a common investment market/portfolio.

There is increasing evidence of the emergence of strategies that engage multiple cities in one common strategy, between neighbouring or connected metropolitan areas. The motive for these collaborations is that they enhance scale, increase connectivity, improve mobility, optimise land uses, and might provide a cluster of smaller cities with the potential to compete with larger centres through co-operation. On this basis, Sydney is not a single market of five million but a seven million region that includes Newcastle, the Central Coast and Wollongong. Melbourne is growing in tandem with Geelong, Ballarat and others. Brisbane is becoming an interdependent region with the Gold Coast, Sunshine Coast, Toowoomba and other cities. The corridor between Perth, Mandurah and Bunbury is becoming more interconnected. And Adelaide has important complementarities with Murray Bridge and Port Elliot-Goolwa. How these regions become recognised and organised will be an important element of the cycle to come. For Australian cities, this means that the improvement of inter-city connectivity will become more urgent. Organising and co-ordinating growth at this larger territorial scale will also become a priority.

RESPONDING TO THE TERMS OF REFERENCE

This submission specifically responds to the following Inquiry Terms of Reference:

1. Promoting the development of regional centres, cities, towns and districts including promoting master planning of regional communities;
2. Investigate the development of capital city size regional centres in strategic locations and the benefits this offers regional cities, capital cities, the Australian economy and lifestyle;
3. Examining ways urbanisation can be re-directed to achieve more balanced regional development;
4. Consider other measures to support the ongoing growth and sustainability of regional Australia.

1. PROMOTING THE DEVELOPMENT OF REGIONAL CENTRES, CITIES, TOWNS AND DISTRICTS INCLUDING PROMOTING MASTER PLANNING OF REGIONAL COMMUNITIES

Australia currently relies on a multitude of jurisdictional planning frameworks to drive economic and urban development and plan and deliver infrastructure and services. Responsibility for these frameworks is divided across three tiers of government with primary responsibility for infrastructure, employment planning and service delivery resting with the states and territories and local government. We support this current allocation of responsibility and note that strategic planning in Australia is broadly of a very high standard.

However, currently there is no consistent overarching national view on Australia's growth. While Australia's regional-level planning is also considered of a high standard, it is fragmented and there is no coherent guidance on how regional and local plans should respond to population and employment changes.

We acknowledge and commend the Commonwealth for establishing the Centre of Population within Treasury and note that they are working towards producing a National Population and Planning Framework (including an annual Population Statement), improving regional analysis and have a commitment to produce better population data and forecasting.

Establishing a more rigorous and transparent approach to understanding Australia's population is a vital baseline input to any strategic planning processes and the Commonwealth should consider not only developing a more comprehensive understanding of current growth trends but also:

- Developing a more prescriptive view on where growth should be targeted (and implementing relevant policies designed to support those targets)
- Producing consistent rolling (three or five-year) plans for population growth produced in collaboration with the States/Territories
- Releasing annual reporting which will track progress against the rolling plans (and allow adjustments to policy to be made to ensure growth is remaining within the target growth range); and
- Releasing more sophisticated forecasts of population region by region, city by city.

We believe this process should be used to help inform the identification of growth within each of Australia's major regional centres. We also support the Commonwealth taking a more active role facilitating and providing guidance on how these major regional centres should respond to growth and other emerging trends in a way that builds on their inherent characteristics and strengths.



RECOMMENDATIONS

- We recommend the Australia Government should oversee coordination and assist with the development of economic development and master plans for each of Australia's major regional centres and their catchments. These plans could be key features of future Regional (City) Deals.
- We recommend that identification of major regional centres and their catchments be based on functional economic regions that consider the stronger linkages and interdependence between neighbouring regions.
- We recommend the content and evidence of these long-term strategic plans are supported by the necessary level of flexibility, which enables decision makers to adapt planning, policy and investment in response to any changes, within a broad long-term vision.

2. INVESTIGATE THE DEVELOPMENT OF CAPITAL CITY SIZE REGIONAL CENTRES IN STRATEGIC LOCATIONS AND THE BENEFITS THIS OFFERS REGIONAL CITIES, CAPITAL CITIES, THE AUSTRALIAN ECONOMY AND LIFESTYLE

Australia's capital cities vary greatly in size with the largest (Sydney, 5.2 million people) over 20 times larger than the smallest (Hobart, 230,000 people). The location of these settlements was determined by early colonial settlement patterns and since the 1950s the concentration of Australia's population in capital cities has continued to increase.

This settlement pattern has influenced major planning and investment decisions from government and private enterprise for over a century. The cumulative effect of these decisions has reinforced the primacy of these locations to help create vibrant, internationally recognised urban environments and economies that are well connected to global markets.

The success of these locations has not been developed over night and they have largely been shaped by market forces rather than by design. These market forces are not to be underestimated. This point is reinforced by The World Bank:

Policy makers have often misjudged the potency of market forces. Many policy makers perceive cities as constructs of the state—to be managed and manipulated to serve some social objective. In reality, cities and towns, just like firms and farms, are creatures of the market. Just as firms and farms deliver final and intermediate goods and services, towns and cities deliver agglomeration economies to producers and workers. So city administrators are better advised to learn what their city does, and to help it do this well, rather than try to abruptly change the course of their city's destiny. Planners and policy makers should see their role as prudent managers of a portfolio of places, to get the most from agglomeration economies.

(The World Bank, World Development Report 2009, Reshaping Economic Geography)

Australia's regional centres also vary greatly and are subject to the same market forces that are driving most of the population growth into Australia's major capitals. The largest centres such as Gold Coast, Newcastle, Sunshine Coast, Wollongong and Geelong all have larger populations than Australia's smallest capital city. These large regional centres are also all located close, and are well connected to Melbourne, Sydney and Brisbane and – perhaps unsurprisingly – like these major capital cities, are among the fastest growing regions in Australia.

Faster-growing regions have more economic opportunities, which are the single biggest reason for populations to relocate. People from outer regional and remote areas are particularly likely to cite economic factors as their reason for relocating. Job availability is also the central factor influencing the decision of overseas skilled migrants whether to settle in a regional area of Australia on arrival.

What attracts most people to these regional centres are job opportunities in the cities themselves along with access to other services and amenities. Proximity and connectivity to major capital cities is an important factor in facilitating these economic conditions, including through providing access to larger markets and high-quality human capital, and higher quality infrastructure that facilitates economic growth.

Reduced proximity and quality infrastructure can facilitate increased commuting between satellite regional centres and capital cities for work. However, satellite centres are not simply residential locations for workers commuting to and from the CBDs of capital cities for work³, they are employment centres in their own right.

In this context we believe the Commonwealth should focus on developing policies that support the growth of these fast-growing larger regional centres that are already of capital city size and are proximate and well connected to Australia's major capitals. These policies should build on the individual strengths and characteristics of these locations.

RECOMMENDATIONS

- We recommend the Australia Government should focus policy priorities and investment to grow Australia's largest and fastest growing regional centres.
- We recommend the Australian Government focus regional development expenditure on areas that have been identified as priorities in published regional strategic plans.
- We recommend the Australian Government should support long-term drivers of growth such as education and skills, transport infrastructure and support existing innovation activities in these locations.
- We recommend the Australian Government focus investment on strengthening existing regional centres rather than creating new towns and cities.

³ For example, analysis of 2016 Census journey to work data found that the median work journey was approximately 8 km in Geelong and 5 km in Ballarat. Only 8% of commuter journeys from Geelong were over 75 km, the approximate distance to Melbourne.

3. EXAMINING WAYS URBANISATION CAN BE RE-DIRECTED TO ACHIEVE MORE BALANCED REGIONAL DEVELOPMENT

Urbanisation is a global force that is being driven by lifestyle and economic opportunities – as the Grattan Institute found there is very little that can be done by government to redirect these powerful economic forces without constraining the immense benefits that accrue to Australian society from having such large successful capital cities.

Despite successive waves of regional development policies, the long-term major patterns of regional development are primarily explained by exogenous economic factors, not by specific government intervention in a particular region. Today these economic forces predominantly encourage economic activity and services to concentrate in or near large urban areas and it appears government intervention can do little to change this.

(Grattan Institute, Investing in regions: Making a Difference)

Despite this economic reality, there is support that could be provided by government to encourage development in those regional locations that are already providing alternate lifestyle and economic choices for those who are seeking an alternative to capital city life. This support would be in addition to but in concert with the National Population Plan.

The defining characteristic of a capital city is its large population size. This feature is also a broad driver of city performance as it contributes to the generation of agglomeration economies which are created by the proximate concentration of people and businesses in a single location. Large populations also allow a wide range of services and amenities to be supported which contemporary society increasingly demands and consumes.

While scale is an important factor across many measures, there are diseconomies that come with continued concentration of population in major capital cities. These diseconomies are borne out of our over reliance on current city planning and development models which mostly favour fringe development and constrain urban infill.

Extremely high house prices, particularly in the best located parts of big cities, congestion as people from outer suburbs converge on employment and amenity precincts, more pollution and more crime undermine the benefits of increasing scale. Greater inequality between those able to enjoy the benefits of the city and those who live far away from the best areas and earn far less are features of most cities that grow to be very big.

The compounding impact of these negative externalities over time will prompt a response: some people will choose not to move to the city, others will trade off a longer commute for cheaper housing or greener surroundings. As cities grow, the effects of these diseconomies also grow, and this may increase the impact of these push factors for a larger share of the population to locate outside, but in proximity to our major capital cities. This is an unfortunate truth that is not unique to Australia. Indeed, Richard Florida an American urban theorist recently noted the impact of these diseconomies on some American cities.

The big knowledge and tech hubs which once had such a stranglehold on attracting talent seem to be losing their allure. Many places around the country now have bundles of amenities—renovated old buildings, coffee shops and good restaurants, music venues, and not least of all, more

affordable homes—that can compete with the biggest cities. In other words, the amenity gap between superstar cities and other places has closed, while the housing-price gap has widened.

After a couple of decades of winner-take-all urbanism, talent may be shifting away from the established superstars to less expensive places, large and small, urban and rural.

(Richard Florida, Urban Crisis)

While the inevitable increase in these negative externalities is likely to act as a deterrent for a portion of the population in our major capital cities, it is unlikely to subvert significant numbers of population from wanting to reside in these locations. And as is the case in many cities around the world, a greater number of people are destined to trade off smaller and more dense living requirements in order to live close to major metropolitan centres where the greatest economic and other lifestyle opportunities exist.

In this context we support the Australian Government continuing its policy focus on cities big and small and urge it to maintain its investment to improve productivity and amenity of these locations.

Noting the linkages that we have referred to in this submission between major capital cities and their surrounding larger regional centres, we also support the establishment of the National Faster Rail Agency and note its strategic alignment with relevant state government infrastructure programs.

The impact of improved (faster/high-speed) rail connectivity on regional development has long been the subject of debate, with varying opinions on the outcomes of such projects. What is agreed upon is that high-speed rail alone will not support regional development. Regional development requires a coordinated approach which links planning policies and investment with the delivery of improved rail services in order to contribute to the reduction in regional disparities. This includes strategies such as improved and coordinated local public transport, station redevelopment, and other complimentary regional development policies – e.g. the application of Regional (City) Deals which could be used to drive diverse place-based policy outcomes within a specific location.

This finding was broadly supported by a recent International Union of Railways study on the effects of high-speed rail on regional development which reports generally positive growth for high-speed linked cities⁴. Other studies report modest impacts on economic performance: 1-3% of GDP⁵; faster population, job and economic growth for cities on high-speed routes that those bypassed⁶; increase in commercial activity and land values in excess of 50% near high-speed stations; and marginal increases in population and housing growth in regions benefiting from a high-speed link⁷. Most studies agree that cities/towns with a high-speed connection regard the connection as positive and an improvement on the location's attractiveness although the benefits are hard to isolate.

⁴ UIC - International Union of Railways (2012) About High Speed

⁵ Preston, J.M., Wall, G.T. and Larbie, A. (2006) The impact of high speed trains on socioeconomic activity: the case of Ashford (Kent)

⁶ Chen, C. and Hall, P. (2009) The Impacts of High-Speed Trains on British Economic Geography: A Study of the UK's IC125/225 and its Effects, University College London

⁷ Albalade, D. and Bel, Germà (2010) High-Speed Rail: Lessons for Policy Makers from Experiences Abroad, Working Paper 2010/03, 34 pag. GiM-IREA Universitat de Barcelona, Research Institute of Applied Economics (IREA)



RECOMMENDATIONS

- We recommend the Australian Government continue its policy focus on cities big and small and continues to invest heavily to improve productivity and amenity.
- We recommend the Australian Government continue to work with state governments to improve the rail connectivity between already fast-growing major regional centres and Melbourne, Sydney and Brisbane.
- We recommend the Australian Government compliment the increased connectivity of these strategic fast-growing regional centres with target regional development policies such as Regional (City) Deals that are implemented in concert with local stakeholders.

4. CONSIDER OTHER MEASURES TO SUPPORT THE ONGOING GROWTH AND SUSTAINABILITY OF REGIONAL AUSTRALIA

Encouraging migrants to move to regional centres is considered a mutually beneficial exchange for both local communities and migrants themselves. Migrants have the potential to revitalise regional towns and stimulate their local economics while offering rich cultural diversity and reducing the pressure on urban infrastructure. Conversely, regional towns are in a unique position to welcome and support newly arrived migrants.

Migrants are likely to take several years to adjust to their new homes and experience changes in their social and economic participation over time. Therefore, the successful regional settlement of migrants must be considered a long-term investment that requires coordination and planning from all levels of government, as well as local communities, organisations and service providers. This coordinated effort should also facilitate migrants to remain in the regional centre they first settle in, if communities hope to enjoy the long-term social and economic benefits.

Migrants who settle in regional towns need access to sustained employment. This provides an exciting opportunity for regional industries and economics, as migrants can fill worker shortages and skills gaps in their labour markets. Similarly, regional areas can often offer employment that suits the occupational abilities of migrant groups, particularly for humanitarian migrants who have left rural areas and are seeking agricultural work. Migrants can also find meaningful work that they may not otherwise have access to in big cities. However, there is no coordinated system that links migrant workers with regional employers. This has left proactive employers to attract and incentivise migrant workers, acting as proxies for settlement service providers in regional centres.

For regional settlement to be effectively coordinated, a whole-of-government scheme/strategy is required. This would allow migrants to be matched with employers in regional centres. It could also be informed by a large-scale demographic, economic and social needs analysis of different regional labour markets – focusing on communities that are best equipped to take newly arrived migrants (because of labour shortages/gaps, no history of migrant settlement). Businesses and employers also have a crucial role to play in driving migrant attraction and retention through employment.

Migrants also require access to housing, services (such as health and education services) and public transport to effectively participate in social and economic life. Urbis evaluated the NSW Refugee Health Plan 2011-2016. Our evaluation included large-scale consultations with refugees, service providers and government and healthcare stakeholders and our findings identified critical enablers for supporting refugees' (and newly arrived migrants') access to services. We found that:

- Services for refugees, including specialised services with access to bilingual workers or interpreters needs to be culturally appropriate and accessible for newly arrived migrants; or
- Service delivery should be coordinated and integrated across sectors such as health, education, access to housing and social welfare to promote continuity of supports.
- The presence of local ethnic communities and multicultural institutions are important for promoting diversity and mitigating cultural isolation, especially in regional locations.

- The provision of English language classes enables migrants to better participate in their communities.

Receiving communities who have a commitment to humanitarianism and appreciate the benefits of cultural diversity and inclusion are most successful in welcoming new migrants. Our evaluation of the Refugee Employment Support Program underscored the importance of social connectedness and community engagement for facilitating the successful integration of refugees into wider Australian life and it is likely that this insight can be extrapolated more broadly to all migrants.

Well-resourced, small-scale resettlement programs that provide events and activities, buddy programs and other resources have helped to support regional settlement. These can be driven by community volunteering efforts or local organisations. Conversely, in communities where support has been less organised, migrants have experienced isolation, loneliness and social disconnection because of a lack of community engagement.

Our work has exposed us to diverse experiences of migration and the impacts these experiences have on settlement in Australia. While skilled migrants are afforded labour rights and can participate in the workforce easily upon arrival in Australia, humanitarian migrants have less freedoms. Similarly, their journeys to Australia have been protracted and usually involve exposure to violence and/or trauma. Supports and services to assist new migrants must consider these spectrums of experience, and when dealing with humanitarian migrants, must exercise care and sensitivity. Local volunteers, employers and community organisations and their role in facilitating regional settlement

RECOMMENDATIONS

- We recommend the Australian Government ensure that regional migration be complemented by adequate settlement and community integration, local infrastructure including access to transport, housing, health care and education.

5. CONCLUDING REMARKS

Australia's story of rapid change is similar to many other large developed economies. Population ageing, urbanisation and technological transformation, and the pivot of the Australian economy towards greater services and knowledge-based industries are all driving immense shifts in our metropolitan and regional centres.

Faced with these challenges it is critical that Australia continues to support a strong overseas migration program which is calibrated towards younger skilled migrants. This program has served us well over the years and will be critical as we face the new challenges of an ever-changing world.

While the majority of inbound migrants come to Australia seeking life in our largest capital cities, recent policy changes are designed to direct a greater share to locations outside these cities. This has the potential to spread a greater share of the benefits across the country, especially to regional locations where a migrant may not have initially considered. It will also alleviate some of the infrastructure and services pressure in our largest and fastest growing cities.

In this regard the successful development of both cities and regions is intrinsically linked. As this submission highlights there is already a strong link between the growth of our largest capitals and a number of proximate major regional centres. The identification and support of these growing regional centres through increased focus on long-term economic and place-based plans, enhanced transport connectivity and other complimentary regional development policies should be a priority.

We urge the Committee to consider the recommendations outlined in this submission and to build on them during its important inquiry.