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# Overview: Changing spatial structure

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## **AIMS:**

- 1 Overview of recent trends in Australian cities' structure and the dynamics of change.
- 2 Central question: Is the Australian city entering a new configuration? Or is it just more of the existing trends?
- 3 If it is changing, in what ways, and what are the drivers?
- 4 Set the scene for the next two days of papers on the theme of the changing structure of Australian cities – introduce some of the papers that you will be hearing and how they illuminate aspects of the changing structure of our cities.
- 5 And to highlight some of the areas I think research will need to be pursued in the next few years to get a better understanding of these changes.

In preparing this paper, I am indebted to discussions over the last few months with a number of very eminent observers of the Australian city, all of whom can claim a much greater knowledge and understanding of the Australian city than I do. Clive Forster, Peter Murphy, Brendan Gleeson, Pat Troy and Ray Bunker all helped in forming my ideas for this presentation. Naturally, the mistakes and misunderstandings are all mine.

The overall aim of this paper is not to present any answers, but to hopefully stimulate some questions – to start the ball rolling that we hope will end up on Friday morning with a range of unanswered questions we all think should be addressed through future research.

It is also true to say that what we are discussing in this theme is largely a product of the processes that are being discussed separately in the other five themes. City structure is an outcome of these diverse processes – labour markets, housing markets, governance, infrastructure and planning, taxation and investment, transport and mobility – rather than a process in itself. Perhaps the best time to write a paper

on contemporary city structure in Australia would be at the end of this conference, not the beginning – so it really is a preliminary and partial view of things.

## **The underlying drivers of change**

Australian cities are undergoing a range of high pressure growth drivers in most cases. Sydney, Melbourne, Brisbane, Canberra and Perth are all growing under comparable pressures. Darwin has its own set of pressures that mark it out from the rest. Adelaide and Hobart may be dealing with rather different issues of lower growth.

However, all these cities have markedly differing sub-regions and areas within them that are performing in a range of ways. In the growth cities, these pressures include, in no particular order:

- the changing scale and function of Australia's cities within a global system of cities
- the changing role of Australian cities in their regional economies
- population growth and immigration
- changing household structures
- employment restructuring and differential regional economic development
- land release pressures
- the aging of housing stock and infrastructure – city life cycles
- the changing impact of information technology, electronic media and communications
- environmental constraints
- urban policy pressures (consolidation)
- public policy changes, particularly in terms of the spatial impacts of fiscal and welfare policy change
- changes in transport policy and infrastructure provision
- social and economic infrastructure developments
- cultural and life-style changes
- housing market dynamics and financing.

All these drivers are pulling and pushing the city in a range of directions, some working together while some are working contrapuntally. In the middle of these forces are the metropolitan populations, many struggling to make the best of a rapidly changing world for themselves and their families.

In order to both make some sense of the topic and also to tie in the conference contributions to the theme, I will discuss the city in a very traditional manner by splitting the city into four concentric zones – inner, middle, outer and fringe. I make no apologies for this because, by and large, it makes sense to do so.

## **Changing structures or more of the same?**

Once upon a time, understanding the spatial structure of our cities was relatively easy. A few key factors dominated the explanations of the form and structure of cities. Social class, life-cycle and ethnicity were thought to be all you needed to explain city structure. More recently, these three were joined by a dominantly economic perspective on what makes cities work: As James Forrest put it, not so long ago, "...the spatial structure of cities reflect the inter-relatedness of four main elements: transportation, labour, land and housing markets" (James Forrest, 1996, p132).

But more recently still, this view of the dynamics of city structures has changed. As Peter Murphy and Sophie Watson pointed out, cities now cannot be simply understood as an outcome of simple socio-economic vectors or by simply 'reading off' from economic drivers, important though all these remain. Instead the city of the 21<sup>st</sup> Century is thought to be made up of heterogenous and fragmenting "surfaces", no longer welded to the traditional forces of urbanization – job, population, houses and roads (Murphy and Watson, 1997). A new lexicon has emerged to further muddy the waters of urban structure and to increase our awareness of the undercurrents and increasing complexities of urban life and urban structure: gender, sexuality, life style, culture, difference. These reflect increasingly complex cleavages based as much on new patterns of consumption, communications and life style marketing as on structures of production and exchange. This makes understanding exactly what is happening to our cities a more exacting challenge.

But it can be argued that this new paradigm of explanation reflects a more profound "step change" in the organization of society in the last twenty years. These are having substantial repercussions on the structure of our cities. The search for new explanations has arisen because the older explanations did not seem to fit the newly emerging city structures we can observe. Put simply, something new has happened to the structure of our cities over the last two decades or so that can be seen to represent a threshold between earlier phases of urbanisation and what we might for want of a better term are 21<sup>st</sup> Century Australian cities.

A key new feature of our cities that stems from their growth and diversity is the multi-scaling of spatial outcomes and processes:

- **Increasing variation between cities** – cities within Australia have started to diverge significantly in terms of patterns of growth and function, especially compared to the immediate post-war period. At the same time, Sydney has pulled ahead of the rest in terms of scale and role within the Australian urban system. . So our cities are increasingly become dissimilar in terms of form and function. But to what extent – further work is needed here.
- **Increasing variation within cities** – the increased scale of urban area has led to more distinctive regional divisions – east vs. west, inner-middle-outer-periphery, and these seem to be getting more pronounced. Whether these are really new urban spatial structures or not needs to be firmly tested. As a result, cities are increasingly splitting into distinct functional sub-regions. This tendency is of course another outcome of increasing scale and diversity, and has been evident for some time, but perhaps the scale of these functional divisions is a major new feature. Western Sydney is an exemplary case – effectively splitting away from the east and north of the city.
- **Increased sub-regionally variation** – here in western Sydney there are at least five distinctive sub-regions that can arguably be identified. There must be similar developments in other cities – SEQ, West Melbourne, etc. Are these sub-regions real or just perceived? What do they mean in terms of future structures of urbanization?
- **Emerging multi-centred cities.** Partly resulting from greater scale of cities – they are demonstrably larger than they were in 1970. But also a direct result of planning policy, including the predominant thrust of consolidation which has been to produce a network of more densely populated nodes. In the case of Sydney, Spearritt has likened this to a return to late-19<sup>th</sup> century structure of a network of loosely connected towns and villages that surrounded Sydneys original built up core. However, the level of urbanisation is much greater, and

the complexity of the functional relationships between these centres is also much greater.

- **Neighbourhoods and communities** - the language of community has come back with vengeance in policy areas that ignored this for many years. Cities are more than ever before, perhaps, collections of distinctive communities and neighbourhoods, all the more differentiated as the cities grow in size and complexity. They have always been there, but even with an appreciably widening social divide in the last decade, then it is likely the neighbourhoods in our cities are becoming similarly more differentiated across city regions.

So have we crossed a threshold in city structure that points us firmly in a new direction for the Australian city? And are the increasing differences between cities making it less realistic to talk about a common city form in Australia? I won't speculate on the latter question here. But in relation to the former, I think we have – it's been building for some time but there is certainly evidence now that the older concepts of city structure are now in need of revision. It's an important shift – and one that has not perhaps fully appreciated although we must all be aware of these trends. For example, it is still possible to hear people talk about the outer suburbs as if they remained areas of low cost housing and lower income households – as if the 1960 fringe estates were still rolling out – cheaply and cheerfully. But the reality is very different.

## 2 *A summary of urban structure since WW2*

So what were the main features of the spatial structure of cities in the latter half of the last century, and is the current city really any different?

### 2.1 *The Post-War city – 1945 - 1970*

Benefiting from the economic Long Boom in the twenty years following World War 2, Australian cities rapidly expanded. Key dynamics of change during this period included:

- The post-war “Australian Settlement” – protectionism, immigration, minimum wage

- Rapid population growth, powered by the baby boom and new immigration
- Economic prosperity, industrial expansion and welfare provision – contrast to interwar slumps.
- Post-war suburban housing market boom related to nuclear families and male wage earners – the rise of the “Holdenist” suburbs.
- But the new suburbs on the city fringe suffered lags between development and service provision for many.
- New role of public sector in generating housing in most cities – both for rent and sale – in suburban locations.
- First major attempts at metropolitan planning
- Road transport comes to dominate the transport system

As Clive Forster has noted, under the impact of the car and burgeoning road system between 1945 and 1970 the whole structure of the city changed: “Star-shaped, relatively centralised public transport cities were replaced by sprawling, amorphous, decentralised, automobile cities” (1999, p23).

However, even at this stage, increased urban scale was leading to increasingly divided cities.

The older inner city areas contained concentrations of lower income households in poorer and older housing, and by the late 1950s these areas were filling up with the first waves of post-war immigration from southern Europe.

On the other hand, the new outer suburbs (in what are now middle suburb areas) grew rapidly powered by post-war population boom and immigration. Cheap suburban housing, often built to what would now be considered to be poor standards of construction and cheaper materials, spread the suburban reach of Australian cities. This was driven both by the post-war prosperity that lasted until the late 1960s and initially by government policy to ensure adequate housing supply (both privately and publicly provided) after a long period of low output. As a result, the outer suburbs become synonymous with lower incomes and more affordable home ownership, consolidating the role of home ownership suburbia as the dominant feature for Australian cities.

By the late 1960s, Hugh Stretton and others were complaining that the increasing scale of the low density city had led to increased social inequity, both in social class terms as well as on the basis of gender and other dimensions of social differentiation. The seeds of today's much more differentiated and social segregated city can be discerned even then.

## *2.2 1970 – 1990*

This period witnessed a major period of economic restructuring and processes of increased globalisation that had major impacts on the city.

In the inner city industrial decline intensified, with large scale industrial closures and manufacturing job migration to middle and outer suburbs. But this was countered by the growth of tertiary and quaternary employment which in turn powered an expansion of higher income workers in central cities, leading to the gentrification of older inner city working class suburbs and transformation of many inner city residential areas.

The emerging middle suburban areas – those built in the interwar and immediate post-war period – start to consolidate into areas of relative decline as the housing stock, and the population, begin to age. Poor quality housing (the 'Fibro' belt), urban renewal through higher density development of blocks of flats, and the emergence of poor urban amenity, begin to become apparent here. At the same time, newer outer suburbs expand rapidly, pulling population in their wake. This was also the era when strategic planning began to have an impact on cities and their growth, but with varying effects and outcomes. Nevertheless, the planning of Australian cities was now part of the policy landscape and cities were changed as a result. In many ways, the advent of strategic planning marks the Australian city apart from the trends in most North American cities from this time, and more closely parallels trends in European cities, where planning also had a major impact in the last half of the 20th Century.

## *2.3 Post-1990*

In the most recent period post-industrial labour markets have led to a further polarization of employment and income structures, especially through the growth of

part-time and casualised workforce on the one hand and core employment growth in higher skilled and paid employment in information technology, media and financial industries. Job-rich, two income households becomes an important driver of urban demand contrasting to job poor and single wage households, driven by greater household fission and the inexorable rise of the small household. The latter are loosing out in the property and locational struggle,

The new Australian city is “powered by property” more than ever before. The widening gap between the asset rich and asset poor fed by intergenerational wealth transfers of the previous home owners and winners in earlier rounds of property appreciation. This is a new feature of the city – one that has taken fifty years to produce but one that is now deepening the social divide in the way we have not seen before. Social difference is now much more determined by where and how much property you and your parents owned than ever before.

A new feature of the Australian city can be seen in new forms of inner city revival. Revitalization of old industrial and commercial areas joins the gentrification of the older housing stock as the dominant inner city process. The emergence of a post-gentrified inner urban society, with life-style and consumer driven housing demand replacing more suburban concerns about family and domesticity have taken a strong hold. More than ever before, the inner city has become a pre-child and child-free area. Children are increasingly a suburban phenomena. At the same time lower income housing/households are all but excluded from inner city areas, pushed out into the older and poorer quality housing in middle and outer suburbs.

As a result, middle city decline gather pace characterised by large concentrations of the poorest who no longer live in the inner city. These areas are characterised by the selective location of the more economically disadvantaged immigrant streams. In some cases these areas are driven by a strong residential investment sector which concentrates the city’s poorest populations into low quality rental accommodation, but also with high proportions of older home owners and low income home buyers. In addition, some of these areas are undergoing considerable pressure for further consolidation through redevelopment and densification with town houses and flats a common outcome.

At the same time, the outer suburbs have become increasingly differentiated. The 1970s and 1980s older urban fringe is replaced by a new higher income fringe. For the first time since the second world war the newest suburbs are catering almost exclusively for middle income households, with second and third time buyers and mature families dominating the social mix. In income terms, the urban fringe has “turned up”. Increasing social polarisation can now be seen between the middle and outer suburbs, together with an increased functional separation between inner/gentrified, middle/urban poor and outer/middle income areas.

It can also be argued that new sub-regional differences have strengthened within our cities. In Sydney existing social and economic regional divisions appear to be becoming terminal with a neat functional divide along the local government boundaries that run just to the east of Parramatta. The effective functional separation between east and western Sydney is high.

#### *2.4 Summary*

So is the Australian city different to the city of forty years ago? Well, yes and no. Although there are a number of key features of the contemporary city that have their roots in the post-war period, there are nevertheless current changes that are new. This is not surprising. Continuity and change are keystones of urban development given the longevity of the built form and the social structures that emerge in them (Forster, 1999). Cities take time to change. Indeed, the roots of contemporary differentiation can be seen in the 1960s and 1970s – these have grown stronger as the cities have expanded and social polarization has widened in the last twenty years.

But the new features of life-style consumerism and the segregation of cities by more complex factors than class and life-cycle reflecting a more complex social and economic structure are new features. Several features of the post-1990s city structure were identified in the above sketch of change. The following section teases out some of these in more detail.

### 3 So what are the key issues facing the Australian city?

In addition to the fundamental driver of population and household growth, there is a range of fundamental pressures. The following offers some of the most obvious – there are likely to be more. These are offered as a starting point for this conference theme and in doing so identify some of the potential research gaps we may go on to discuss.

#### 3.1 The demographic shift

The populations of most Australian cities are growing, some remarkably quickly. But at the same time the number of households is growing at a faster rate as average household size falls. The decline of the family and the rise of a more atomised population structure, most notably an ageing one, is an ongoing feature of urban social change. The population of the eight Australian capital cities grew by 12.7% between 1981 and 2001, but the number of households grew by 20.6% (Table 1). The structure of household composition has also changed. In the five years to 2001 there was only a marginal increase in couple families with children, while couple only households, lone parent households and single person households have all increased much more rapidly (Table 2). These trends are not new, but perhaps are much more advanced than in earlier decades. Moreover, there were differential changes between Australian cities, with lower rates of change in Sydney and high rates in Brisbane and Perth. Adelaide actually saw couples with children decline in numbers. Overall, however, and despite the general shift to smaller households, Australian cities experienced growth in couples with children well above the average for Australia as a whole. The suburbs of the major cities are still the places where the next generation of Australians is being raised.

These demographic changes have had major repercussions on housing demand – the larger number of smaller households have led to an increased demand for housing, a greater *potential* demand for smaller dwellings, and, perhaps more importantly, led to a squeezing of housing affordability for these households who can only rely on a single wage to pay for housing. This is a significant change to the situation 20 or 30 years ago, with household affordability and other related aspects of housing demand (for example, in the demand for consumer goods, services and utilities) changing as a result. The real implications of these demographic changes on

housing demand and consumption, and their consequent impact on future city structure are not well understood at present and represent a major research challenge.

**Table 1: Household change, Australian Capital Cities, 1981 - 2001**

	Households 1981	Households 2001	Absolute Change 81-01	Change 81-01
Sydney	1,219,682	1,438,394	218,712	17.9%
Melbourne	1,048,988	1,243,373	194,385	18.5%
Brisbane	456,756	601,146	144,390	31.6%
Adelaide	379,551	430,239	50,688	13.4%
Perth	403,397	511,199	107,802	26.7%
Hobart	66,136	76,072	9,936	15.0%
Darwin	24,742	38,214	13,472	54.4%
Canberra	92,564	114,728	22,164	23.9%
<b>Total</b>	<b>3,691,816</b>	<b>4,453,365</b>	<b>761,549</b>	<b>20.6%</b>

Source: ABS Censuses, 1981 and 2001

**Table 2: Percentage change in household types, Australian Capital Cities, 1996 – 2001**

	<b>Couple with children</b>	<b>Couple only</b>	<b>Single parent</b>	<b>Lone person</b>
<b>Sydney</b>	4.1%	8.5%	7.9%	7.1%
<b>Melbourne</b>	2.6%	12.2%	11.6%	10.8%
<b>Brisbane</b>	5.2%	14.9%	19.4%	17.8%
<b>Adelaide</b>	-2.2%	5.2%	12.6%	11.1%
<b>Perth</b>	3.0%	11.8%	15.4%	14.9%
<b>Total Australia</b>	0.8%	11.0%	13.3%	12.8%

Source: Westpac Property Update: Residential Analysis (undated).

### 3.2 *Densification pressures*

Urban consolidation is changing the nature of Australian cities, in some cases dramatically. It's now the dominant policy framework, and appears to be the dominant market imperative in many parts of the city, especially where land values promote it. The influence of planning strategies to restrain the physical growth of cities has now become all-pervasive. But it has had largely under-researched outcomes in terms of the structure of the city and the impact on households and communities, and on the overall ecology of the city. A key research question, and perhaps the most fundamental one facing urban researchers is a simple one – *does consolidation actually deliver the goods?*

The issue of increased densification and the impacts of this process are tackled by four papers in this conference theme group, all of whom question the consolidation thesis. **Greg Bamford** tests Peter Newman's prospectus for Compact Cities for Australia on the realities of this form of housing in Copenhagen and Stockholm. Bamford's analysis suggests there are a number of critical conditions that facilitate such development in northern Europe that do not apply to Brisbane and other Australian cities.

**Michael Buxton and George Tieman** review the provisions of *Melbourne 2030* with respect to higher density housing. They show that much urban consolidation, especially the lower density varieties in smaller developments, is widely spread across the inner and middle suburbs, which, if continued into the future, would largely negate the development of denser "activity centers" foreshadowed in the plan.

**Peter Fisher and Len Puglisi** question the pervading assumption that cities can continue to soak up growth without meeting finite resource barriers. They conclude consolidation should only be reserved for a very few locations where these kinds of effects can be minimized. Importantly, they highlight the need to thoroughly test the assumption of the environmental impacts and benefits of higher density cities.

Finally, **Louise Johnson**, from a perspective informed by a discussion of the prevailing anti-suburbanism of much of Australian intellectual and literary tradition, also argues that consolidation does not necessarily deliver socially sustainable

suburbs – in this case defined in terms of democratic decision making, social cohesion and cultural continuity – any more than well designed suburban development.

Given the dominance of urban consolidation as the main, if not the sole, urban growth management paradigm, the lack of support from these papers is surprising. Clearly, there is much to understand about the outcomes of urban consolidation policy. Given its pre-eminence as the urban growth management policy of Australian cities, this is a major research gap. Does urban consolidation achieve its stated goals? We simply don't have the research to prove the case either way. Consequently, the value of urban consolidation policy is unproven. This gap in our knowledge should be a major concern to urban strategic planners.

### *3.3 Increasing locational economic polarization*

The changing functional base of cities – associated with shifting employment structure and location – is fundamental to an understanding of changing city structures. Manufacturing restructured in the 1970s and 1980s and has fundamentally changed in the intervening years. With some exceptions, it is increasingly a suburban function. In contrast, the piling up of higher level financial and business service often associated with the high technology, media and communication sectors in distinctive locations, but particularly in the central business districts, has also been pronounced. In some of the larger cities a more extensive belt of higher order employment has emerged – the Global Arc in Sydney, for example, effectively capturing the growth in these jobs to the detriment of other areas of the city. As our cities grow, this locational economic polarization is having a major impact on the relative distribution of jobs, incomes and life-chances across the city.

### *3.4 Changing and fragmenting mobility dynamics.*

The dominance of the car has effectively pulled apart the remaining mono-centric spoke and hub structure which was still dominant in the 1960s. Today the multi-centred city broadly defies traditional public transport solutions to mobility, especially when non-work trips are added into the equation. The dispersion of jobs, services and retailing adds to the “regions within a city” structure, reinforcing the regionalisation of the larger urban areas, again a function of increased scale and

differentiation. These changes emphasise the need to better understand the impacts of increased mobility and communications technology on the evolution of city structure.

### 3.5 *The inner city turnaround and the end to inner city poverty.*

A major new feature of the last decade has been the turnaround in inner cities, from declining populations to growing populations, reversing a century of inner city decline and centrifugal dispersal of population away from the older 19<sup>th</sup> century city centres. The major change has seen the redevelopment of the inner city and now the CBDs and older central employment zones, as new residential areas. This has been driven by the emergence of a new inner urban middle class closely associated with the expansion of the tertiary and quaternary labour markets in these locations.

**Gentrification** of the remaining older housing stock, a new phenomena for urban researchers in the 1970s and 1980s, has now almost entirely removed the vestiges of the older working class inner city communities that existed for 100 years before hand. The social and economic restructuring of our downtown areas and surrounding inner suburbs has seen been the end of inner cities as places of social disadvantage. In inner Sydney and Melbourne, you would be hard pressed to find much left of these older communities, outside the few remaining residualised public housing estates, marooned like oases of disadvantage in a sea of high value housing, and up-market shopping and restaurant strips.

But in addition, a qualitatively new phenomena has emerged – not yet so heavily researched – the wholesale **revitalization** of old and redundant industrial and commercial spaces – large scale transformations of these areas from employment to residential uses, or from industrial to commercial and recreational uses. These have been joined by an intensification of land use in any available site for residential development – pocket development squeezed into infill sites – as land values have made such redevelopment highly profitable, and with the support of the planning system And uniformly in a high density form. This represents a fundamental shift, globally paralleled in cities overseas. While these trends have been apparent for some years, it is only in the 1990s that the impacts have become fully evident. Most cities can now boast such residential developments, often in waterside locations on disused dock facilities, including refurbishment of warehouses and other buildings.

These are often intertwined with new commercial or recreational uses, with a focus on the new “creative” industries: media, entertainment and business services. These high rise and mixed use waterfront developments represent brand new inner city and downtown living and working spaces, and as such mark a new component of the 21<sup>st</sup> Century Australian city structure. Redevelopment of these locations parallels the redevelopment and intensification of existing commercial office space into ever larger and more prestigious buildings reflecting the impact of global corporate and technological restructuring on our cities.

Several papers in this conference pick the new role and function of the downtown in various forms. Aspects of the highly managed consumption of revitalized waterfronts are explored by **Quentin Stevens**. Noting the changed structure and function of these areas, he notes:

*“The opening up of the urban riverfront has brought about an extensive re-orientation of the entire city, both spatially and behaviorally.”* (p 1). In the process *“The productive function of urban waterfronts has shifted from bread to circuses”* (p 2). He portrays this revitalized areas as adjuncts to the old CBD – offering corporate expansion into new areas hitherto off limits for investment or public consumption. In particular, he highlights the role of these new public places as sites of cultural and leisure plurality and consumption.

The role and significance of major architectural CBD “signature” development forms the focus of **Donald McNeill’s** paper. Donald focuses on the emergence of new forms of global architectural practice, where design-led “signature” architecture in global city CBDs is generated by new international architectural companies. Donald unpacks the range of practices and meanings surrounding the development of one signature building in down-town Sydney. He draws attention to the fact that these developments are not simply the product of a creative imagination, but are mediated through a complex nexus of corporate needs, structures, financing and requirements. Interestingly, however, no one offered a paper on the new development of high density residential inner city housing, or of inner city residential change. Have we learnt all we need to about gentrification and residential revitalisation? This is unlikely.

### 3.6. *The renewal of public housing areas.*

Quietly, but increasingly, the large public housing estates are now changing in several States as a result of comprehensive renewal programs, in some cases rapidly. Sydney and Melbourne have yet to undergo much change in the structure of their remaining public housing areas. But in Adelaide, Perth and Brisbane major urban renewal programs are steadily reshaping these estates, replacing poor public housing with mixed tenure and mixed income developments that will fundamentally alter the location of disadvantage in these areas. Urban renewal plans are in train for both Melbourne and Sydney. Once they take off, then the structure of disadvantage will change fundamentally there too. Deliberate programs to break up the concentrations of disadvantage and, in effect disperse the public stock and its tenants (and their problems) more widely will, over time, lead to a diminution of the concentrations of disadvantage we have grown to associate with large areas of public housing – they simply won't be there in the future. How far this will lead to a 'normalised' social profile in these areas is difficult to judge, but with concentration of public housing being reduced from 60 – 70 per cent to less than a third of that for these estates, there must be long-term impact. The 2001 Census is already showing this to be the case in some areas.

While some research has focused on change in the public housing sector, the implications of these changes for broader city structure and the provision of housing and welfare services needs further research.

### 3.7 *The suburbanisation of disadvantage.*

This leads on to another fundamental shift – the sites of disadvantage, so long associated with public housing and before that the inner city, are now strongly emerging in private housing areas in the middle suburbs. Squeezed between the gentrified inner and expanded up-market suburbs in the more established areas, and Mark Latham's new 'aspirational' fringe developments, the ageing middle suburbs have become the dominant location of disadvantage and this pattern appears to be intensifying. These are areas of both despair and hope. Much of the population in these areas are just as aspirational as those on the new fringes and see themselves or their children making the same locational shift after making good. Others seem set to remain in these areas, often trapped by lack of lifetime assets and poor job

prospects, or simply because they are growing older and do not have the inclination or resources to move elsewhere. These are the new places of urban disadvantage and, once the public housing estates are diversified away, will surely become the next great focus of public action. They will form the new slums of the 21<sup>st</sup> Century Australian city.

As such, they warrant much greater understanding, especially of the market processes that are transforming these areas, and the likely outcomes and policy implications of current trends in the next several decades.

### *3.8 The “subsiding” middle suburbs are changing rapidly.*

The relocation of poverty into the middle suburbs reflects the broader changes that are moving through the maturing and differentiating middle and outer suburbs. Our cities are more spatially diverse than ever before, again a result of increasing scale as much as anything. We now have aging suburbs that thirty years ago were still considered new. They have been incorporated in the mainstream of the city – and enveloped by newer suburbs further out. These maturing suburbs are changing – not all to the good. Populations are moving through a demographic cycle – those who moved in and remain are thirty or forty years older, their children have grown up and moved out. Their place is being taken by a highly diverse population, often with immigrant backgrounds. In some cities the original housing in these areas is slowly being replaced by a creeping market-driven urban renewal process. Small, low amenity and aging housing is being replaced by new housing – usually at higher densities or in much larger buildings occupying a much larger proportion of the block.

Indeed, a new suburban densification wave is passing through much of the existing middle suburbs of Melbourne and Sydney – it started in the inner areas in the 1960s – 70s this is now remodelling what were traditional single family housing into something much more diverse. Higher density clusters around transport nodes are part of the new, denser mix, together with a wider wash of town houses and villa development right across the older suburban housing stock. The “knock-over” home on an old house plot is also a key feature of the remodelling of these areas – termed “Monster Homes” in Vancouver reflecting the size and proportions of the new homes that are created.

This renewal activity is primarily a market driven process. It is probably more pronounced in Sydney because that is where high land values push the development industry to seek renewal and densification. In those parts of our cities where land values remain relatively depressed, the process has yet to gain hold – especially in the more recent lower value outer suburbs, such as Campbelltown. Has this been replicated in all Australian cities or only those with highest land values and population growth pressures?

To date, little in the way of detailed research has focused on the market led process of change, diversity and renewal in these areas of our cities, but they are changing rapidly, and not all for the better.

### *3.9 The new urban “rim” of affluence, aspiration and security.*

The newest suburbs on the edge of our cities represent something qualitatively new. The “McMansion” suburbs – middle income, large, car dependent, homes on small plots – are now a dominant feature of the new suburban landscape. These are not the lower income, more affordable fringe suburbs that characterized the 1960 and 1970s. Most notably, there is not a public housing development among them. This is new – the emergence of the middle classes on the urban fringe. This group in some respects merges with recreational residences in rural residential lots beyond the fringe in amenity rich environments. These “Masterplanned” communities owe little to the inner areas of our cities – they are predominantly products of the suburbs themselves.

**Gabrielle Gwyther’s** paper on the new communities of the urban fringe offers a highly topical window on the development of these new “aspirational” suburbs. She highlights the deliberate marketing of new, higher density masterplanned suburbs to a new kind of fringe dweller who is seeking both status and security. In 1977 58 per cent of first homebuyers bought in the fringe. By 1999 this had fallen to 19%. In the process, she describes succinctly the processes that are beginning to split the new outer suburbs from the older middle suburban areas in Sydney and other large cities.

Gwyther places this change firmly within a market driven process, powered by increasing property prices. She portrays the new aspirational suburbanites as moving

to escape the perceived failures of the older and middle suburbs, especially in relation to perceptions of crime and safety, poor behaviour and migrant populations. Attractions include the prospect of wealth accumulation through property ownership, more secure neighbourhoods, and greater social cohesion.

### *3.10 Increased suburban polarisation*

This last finding of Gwyther's paper highlights another key feature of contemporary suburban development, namely increased suburban polarization, as the new aspirational suburbs pull higher income households away from established suburban areas. This process is working at a regional scale within Western Sydney to produce an increasingly divided suburban social structure. This has major implications for future urban structure and will, if not checked, inevitably lead to a major change in the nature of the established outer suburbs as they mature further. For example, Campbelltown is recruiting middle to low income households from middle Sydney, but exporting high income households to the new suburbs in Camden.

These processes of suburban dynamics need much greater understanding. Are they happening in other cities and if so, to what effect? What are the longer term implications of such trends on the areas that the aspirational movers are leaving. Who is replacing them? Are there policy interventions that might slow the market driven process of regional suburban polarization.

### *3.11 The peri-urban fringe.*

Despite their rural appearance, these areas, extending for up to 20 kilometers from the visible edge of the city, are intensely urban areas. What goes on here is closely linked to the city in a range of ways. Horticulture and agriculture is dominated by production that is destined for city larders. In addition, the peri-urban fringe hosts a wide range of more extensive activities that either involve city dwellers directly or are accessed by city dwellers. Land use is heavily influenced by urban related activities – recreational farms, rural residential smallholdings, weekend farmers. Small businesses are attracted to the space but dependent on access to and markets in the city. Recreational uses are also highly significant, with city dwellers accessing these areas for pleasure and an escape from the built environment.

Above all, much of this area – at least that which is not subject to development restrictions due to natural features – is effectively standing in a development queue. Much land on the fringe of the city is being held in anticipation of development and this has a major impact on its use and the investment that flows into the area. In all this, government is often one of the largest potential beneficiaries through its extensive land holdings.

The nature of change and the pressures facing the urban–rural edge of the city is the subject of several papers in this conference:

**Francis Parker and Sheryl Jarecki** present the results of research looking at the dynamics of population and culture surrounding small scale intensive market gardening on the edge of Sydney. As they note, these places are neither rural or urban but are areas of transition with conflicts over land uses. They identify few, if any, coherent policy responses to the dynamic of change in this region. Indeed, their paper highlights the role of power and relationships in these localities, with looming city encroachment the prime, if hidden, driving force behind land use changes. And they argue that coherent planning policies are needed to mediate the conflicts that are currently emerging in these areas, especially over access to water and the pressure for development. A pervasive view of the fringe as a kind of 21<sup>st</sup> century *Terra Nullis* appears to inform some planners' and developers' attitude of these areas. This is far from the truth.

The importance of change on the rural-urban interface is central to **Ian Sinclair, Ray Bunker and Darren Holloway's** paper. Focusing on the city fringe in a wider spatial context, defined in terms of commuting propensities, again they stress the dynamic nature of these areas, and their functional links into the built city itself. Rural residential uses dominate land use in the fringe around Sydney, but there are other important uses, often overlooked in planning proposals – intensive and extensive agriculture and mixed commercial uses. The new plans for fringe development around Sydney will cut into these areas significantly. However, the cost of land assembly, the importance of the area for horticultural production and small businesses, and in maintaining biodiversity, tourism and water management and waste disposal are all key issues which require careful management. How these

concerns are balanced with the seemingly overwhelming concern with the location and delivery of new urban development is difficult to judge at present. Previous rounds of fringe development do not augur well.

The dynamics of incipient change on the edge of the city are worthy of much greater understanding, particularly in the light of intense speculation as to the release of new areas for urban development. Unravelling the nexus between planning pressure, land ownership patterns, land uses and population dynamics in these areas could only lead to more informed planning decision making.

## CONCLUDING REMARKS

Is a new Australian city emerging in the first decades of the 21<sup>st</sup> century? I think so. The turnaround of the inner city, the suburbanisation of disadvantage, the new aspirational suburbs, and an increasingly multi-regional city structure with increasingly complex *multi-scaling* of processes and outcomes all point new forms of city structure that mark a change from the prevailing patterns of the period between 1945 and 1980. Given the intense social, economic, cultural and political changes we've witnessed in the last thirty years, that the city has also evolved spatially and structurally is hardly surprising. The roots of these changes may well have been perceptible before that time, but it would have been difficult to predict them all or the directions that have taken.

And is there a specific urban structure that can be seen to be essentially Australian? We don't have the inner city decay and beltway boom of the eastern US or the amorphous sprawl of California. Neither do we have the high density cities that characterise Europe or South East Asia. But just how different are Australian cities in an increasingly globalised and potentially increasingly homogenised economy?

The review presented here certainly suggests we have a lot to learn about the outcomes of current urbanisation processes on the structure of the Australian City. Not least, whether current planning paradigms really do have the outcomes they are credited with.

However, if there is one area I would like to draw attention to, it is the need for research to be directed at the local or neighbourhood level. Given that it is at the neighbourhood level that the interaction between the multi-scaled dynamic forces of urban change are played out – housing markets, job markets, household change, the impacts of policy, for example – and the importance of the household itself as the fulcrum around which all these forces play out socially, then I suggest a strong line of research is needed to explore how our cities are changing from the local level upwards. Only then can we begin to really understand how the impact of change is working its way through the local level and into changing spatial structures of our cities. And in many ways, its at the local level that much of what is distinctively Australian about our cities can best be found. Indeed, a focus on Australian suburbs is far from misplaced, because it can be argued that it's the Australian suburb that is the most distinctively Australian feature of Australian cities

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