



## NGAA Policy position paper

# Beyond Bricks: Delivering the housing we need sooner in Australia's Growth Areas

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## **Acknowledgement of Country**

*We acknowledge the Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands across Australia on which we work and live.*

*We pay our respects to Elders past, present, and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples. We recognise their rich culture and their enduring connection to Country and the role this plays in shaping sustainable communities.*

## **Disclaimer**

This policy position paper has been prepared for the purpose of informed policy discussion and advocacy only. The National Growth Areas Alliance accepts no responsibility for the use of this report for any purpose other than that for which it has been prepared.

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## Look to Growth Areas for Real Progress on Housing Targets

Australia's housing policy remains constrained by an outdated vision of how our capital cities function, and this is placing National Housing Accord targets at serious risk. Within greater capital city statistical areas there now exist fully functioning metropolitan cities in their own right, in growth areas governed by local government on the urban fringe.

However a political and policy belief in the primacy of capital city CBDs as the current and future centre of vast metropolitan areas discounts the diversity of our greater capital city areas and relegates growth areas to a largely undervalued location for affordable housing.

Planning and investment associated with Housing Accord targets continue to promote high-density inner metropolitan areas adjacent to central business districts, rather than recognising the critical role of higher quality greenfield development and targeted densification (and hence economic agglomeration) in established outer suburbs.

This imbalance not only undermines the feasibility of meeting housing supply targets, but also perpetuates divided cities, where outer suburban communities - places people demonstrably want to live and continue to settle - do not receive commensurate investment in the essential infrastructure they need.

Meanwhile, new infrastructure continues to be directed disproportionately toward inner-city areas where housing affordability is lowest, entrenching inequity in both opportunity and housing access. Growth area developments are left to compete for funding for sewerage, water and roads.

The National Housing Supply and Affordability Council anticipates that *'detached houses are expected to dominate new housing supply, constituting nearly two-thirds of new supply over the Housing Accord period'*.

Even with an emphasis by state governments to intensify inner city areas and encourage apartment living, 26% of Australia's new housing supply target will be predominantly detached houses in outer metropolitan growth areas and much of the burden for supporting these new communities will fall to the responsibility of only 29 Councils.

To achieve the national housing targets and ensure the whole of our cities are more productive, the NGAA recommends that the Federal Government:

- 1. Realign Federal funding programs** to support enabling infrastructure for housing supply in Growth Areas to ensure immediate use and impact.
- 2. Formally recognise Growth Areas as significant metropolitan regions** and designate growth corridors as Housing Priority Regions (HPRs) so funding and decisions can be tailored to the distinct needs of outer-metropolitan communities.
- 3. Establish a Place-Based Investment Framework** that replaces fragmented, competitive funding with coordinated, evidence-driven investment.

### **Growth Area councils**

represent just 5.4% of all councils but are expected to deliver a quarter, 26%, of new housing delivery — without commensurate infrastructure investment.

**Growth Areas** have delivered most new housing since 2016 (1+ million homes nationally). Their share of new residential approvals has risen from 30% (2018–19) to 35% (2024–25).

## National Growth Areas Alliance

The National Growth Areas Alliance (NGAA) is the peak body for local governments in Australia's outer-metropolitan growth areas - home to more than 5.8 million people. United by growth rates double the national average and long-term under-investment in vital infrastructure, NGAA advocates to state and federal governments for equitable strategic infrastructure investment and national policy reform.

Growth areas need national policy leadership to reimagine outer-metropolitan development as integral to sustainable capital-city growth, supported by long-term funding for urban-standard infrastructure and improved federal and state services in the outer suburbs.

Our platform centres on social, environmental and economic resilience - the foundation of liveable, thriving places and the capacity to respond to shocks such as climate-driven extremes, economic change and rising living costs.

### *National Growth Areas Alliance Member councils*



## State of Play: 1.2 million homes before implementing the National Urban Policy

The Federal Government's 2024 National Urban Policy outlined a shared government vision for sustainable urban growth that commits to

- *Ensuring our cities and suburbs meet the needs of current and future generations, our governments commit to collaboratively govern and holistically plan our cities within existing footprints first and with housing affordability as a primary goal.*

The release of the National Urban Policy in late 2024, alongside the Housing Accord agreements to deliver 1.2 million new homes should have marked a turning point for Australian cities and the places in which people live and work.

The Government's relentless focus on new homes in infill and densification in established areas overlooks the reality that over 300,000 new homes are already slated to be built in outer metropolitan Growth Areas – mostly in greenfield sites.

This political and policy bias toward CBD primacy discounts equity for Growth Areas.

While attention is focussed on convincing inner and middle ring areas to welcome new housing and population growth, and while state planning schemes are overhauled to remove safeguards, Australia's 29 Growth Area councils are continuing to build homes at scale and at pace.

This is happening without sufficient investment in enabling infrastructure, resulting in two scenarios:

- housing estates fully populated without connected sewerage or sufficient potable water, and
- around a third of development ready greenfield sites in Growth Areas, (potentially 82,500 dwellings), unable to proceed due to lack of enabling infrastructure.<sup>1</sup>

This situation is a long way from the National Urban Policy's goals of liveable and equitable places aim that provide

*Suitable, safe housing that is affordable and located close to jobs, education, health care, child-care and other essential services and amenities.*

Federal and State Governments must acknowledge and support the housing and population growth that is happening every day in outer metropolitan areas across the country, at the same time as pursuing densification in established suburbs.

## Where the Commonwealth must lead

### Fund enabling infrastructure in Growth Areas

Given the urgency with which National Housing Accord targets and affordable and social housing needs to be delivered, the NGAA recommends that existing funding programs be realigned and refocussed to support housing supply where it is genuinely occurring.

**Recommendation 1. Realign Commonwealth funding programs for immediate use and impact in Growth Areas, acknowledging competitive grant funding is not appropriate for enabling infrastructure.**

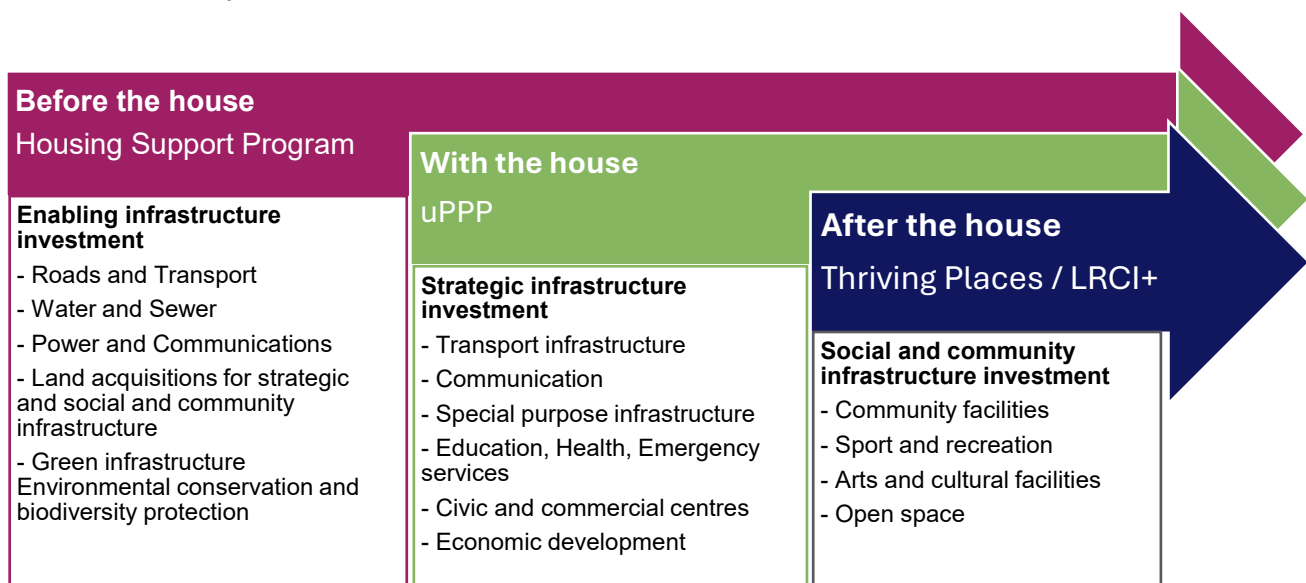
A proposed realignment of existing funding streams would:

- i. allocated unused New homes Bonus funding to Growth Areas in each capital city
- ii. prioritise urgent enabling infrastructure delivery in Growth Areas through the Housing Support Program
- iii. broaden the urban Precincts and Partnerships program to include regionally significant infrastructure in Growth Areas
- iv. reinstate Thriving Suburbs program (rename Thriving Places) or expand Local Roads and Community Infrastructure to overcome the vast infrastructure deficit in Growth Area communities.

Enabling infrastructure is currently the main barrier to housing supply in Growth Areas. Essential services like power, water, sewer, and roads are missing from development-ready land, causing significant undersupply against housing targets. Land reserved for environmental, social, and future-ready infrastructure, however, should be seen as good planning, not a constraint.

Growth Areas need upfront investment in enabling infrastructure, especially trunk sewer, to unlock new housing. Without this funding and commitment, developable land remains constrained and housing delivery is delayed.

Currently, Victoria is the only state to have met the criteria for Housing Accord New Homes Bonus payments. Many outer metropolitan areas have achieved their local housing targets yet miss out on funding due to state-wide averages. Redirecting unused bonuses to these ready-to-develop regions would ensure resources are deployed where new homes can be delivered most efficiently.



## Move beyond outdated cities definitions

### ***Recommendation 2. Recognise Growth Areas as distinct metropolitan regions and allocated them Housing Priority Status***

Housing Accord-related funding must have a dedicated, proportionate stream dedicated to Growth Areas to support housing supply where it is happening.

Australia's 29 major growth areas lie within the outer regions of five largest capital cities. However, they are not yet formally recognised as 'regions' under the Australian Statistical Geography Standard (ASGS).

The absence of standard recognition for these outer metropolitan growth areas has created a significant policy blind spot. Under the current classification, major cities are treated as uniform entities, overlooking substantial spatial differences in population, housing, infrastructure, and access to jobs and services. As a result, growth areas often miss out on fair distribution of infrastructure and services, with their unique challenges rarely addressed in budget and grant processes.

We propose updating the official definitions of Australian cities to clearly distinguish between inner, middle, and outer metropolitan regions. This change would enable more targeted policy development and funding allocation, ensuring the specific needs of each sub-region are effectively addressed and leading to fairer outcomes. The approach would mirror the way regional areas are already categorised and supported.

## Develop long-term fixes alongside the Housing Accord sprint

### ***Recommendation 3. Work on a long-term Place-Based Investment Framework***

While achieving Housing Accord targets is currently the Government's priority, there is a pressing need to overhaul infrastructure investment processes. Introducing a Place-Based Investment Framework would replace fragmented, competitive funding rounds with a coordinated model that considers the distinct characteristics and requirements of each locality. This evidence-driven approach would support equitable resource distribution and sustainable growth, ready to launch when economic conditions and future policy cycles allow.

The framework should address the ongoing infrastructure and service shortfall in growth areas by setting national minimum standards and employing standardised assessment practices. It would ensure infrastructure is delivered alongside new housing in priority locations, with funding for social infrastructure based on projected population growth and catchment size.

Coordination with settlement forecasting and alignment with national health and education funding models would help meet emerging demand efficiently and embed inter- and intra-governmental planning.

## Growth Areas are too important to overlook

The 29 outer metropolitan growth LGAs across Sydney, Melbourne, Brisbane, Perth and Adelaide are nationally significant and are home to:

- 5.8 million residents (21% of Australia's population)
  - o More family households than the rest of Australia: 38.5% households are made up of couples with children, compared with 29.7% in Australia<sup>2</sup>.
  - o A quarter of all children in Australia
  - o More first home buyers than the rest of Australia
- generating 1.6 million jobs, and \$713.5 billion in annual output.

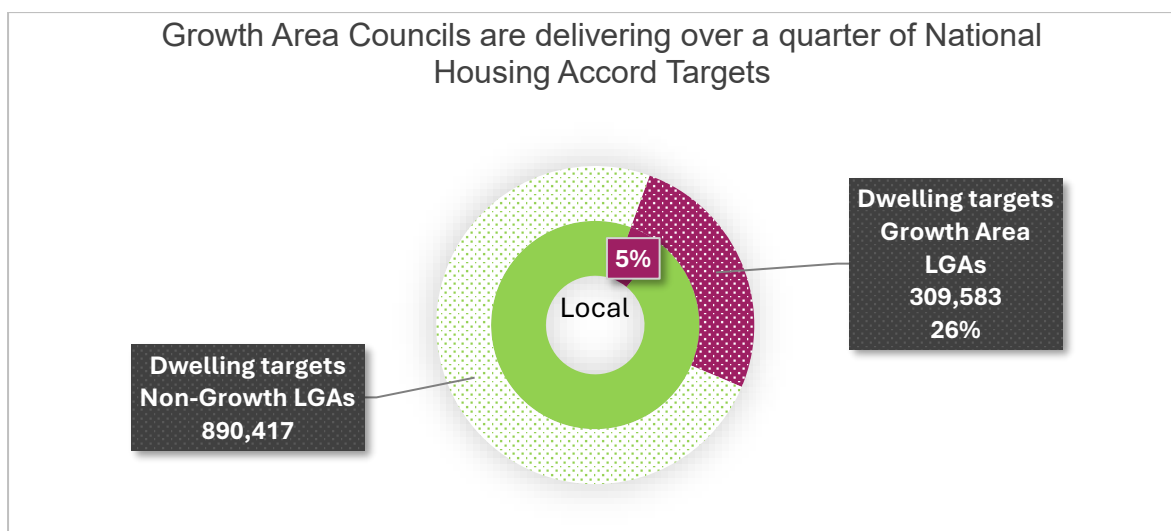
State and federal governments' relentless focus on infill and densification in established suburbs stands in stark contrast to the reality of market demand. Evidence shows first home buyers overwhelmingly prefer outer growth areas, where demand is strongest and communities are expanding. This disconnect risks misaligning policy with the actual needs and aspirations of Australians seeking affordable, well-located homes.

### *One quarter of national housing supply targets are to be delivered in Growth Areas*

There is no one size fits all when it comes to housing supply. Greenfield residential development in outer-metropolitan areas will be as important to achieving Government Housing Accord targets as infill development in inner-city areas. Detached dwellings and medium to higher density residential development will need to be all part of the mix.

Most importantly, the way the next wave of housing supply is delivered will determine the productivity, liveability and sustainability of our cities and the wellbeing of our newest communities for generations. While the private sector can build homes, especially detached houses, relatively quickly, roads, transport and community can take decades to be delivered.

**Australia's 29 Growth Areas - just 5% of the nation's 537 councils – are expected to deliver at least 26% of new housing under the Housing Accord targets, without commensurate infrastructure. That's around another 300,000 homes by 2029 in areas which are already experiencing growth at twice the average national growth rate.**



Source: REMPLAN estimates based on State planning documents, compiled for NGAA

### ***Growth Areas are First Home Buyer Hotspots***

Growth areas will remain a magnet for first-home buyers and migrant families seeking affordable housing, proximity to family and cultural communities, and the aspiration for detached homes that reflect their vision of stability and success.

In Sydney, the most-searched areas for first-home buyers are all more-affordable areas located in the west and southwest of the city: Mount Druitt, Parramatta, Liverpool, Blacktown and Campbelltown. In Melbourne areas popular among first-home buyers are in the southeast and west, and growth areas in outer Brisbane areas are the most popular among first home buyers, with the North Lakes region in Moreton Bay, Springwood, Kingston region in Logan, and Forest Lake, Oxley region in Ipswich the most popular overall<sup>3</sup>.

Beyond national targets and generic “well-located housing” language, where new supply goes is largely left to state systems; local government capacity and impact vary with how that supply is distributed.

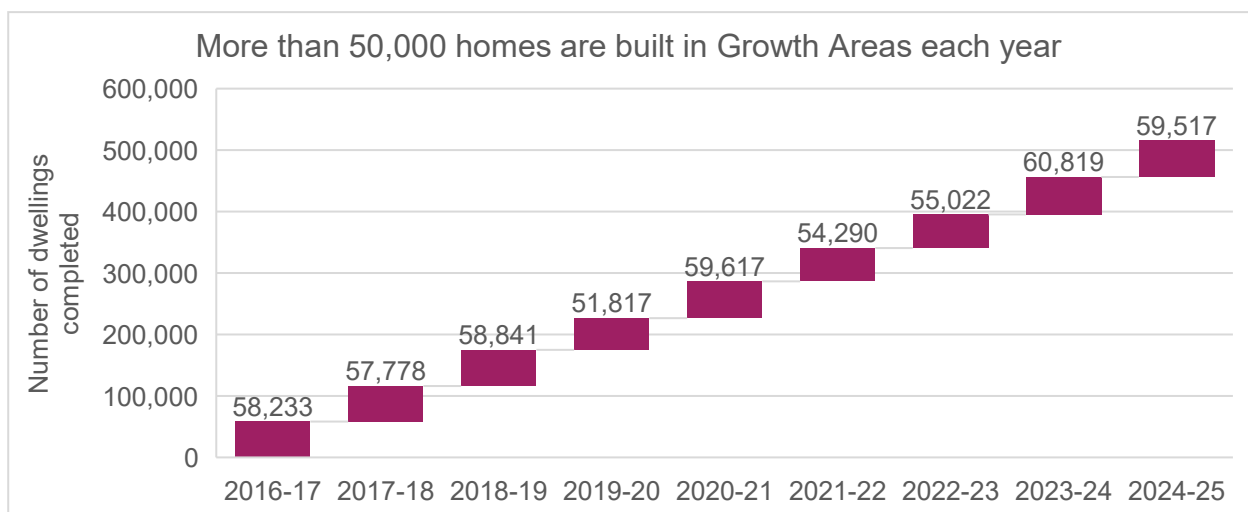
### ***Growth Areas are already doing the heavy lifting in housing supply***

Australia’s housing stock reached 11.4 million dwellings in June 2025 - up 1.7 million new dwellings since 2016. Around one third of these new dwellings, over half a million homes have been built in Growth Areas in that time.

Growth Areas have consistently managed over 50,000 dwelling completions per year since 2016 without commensurate infrastructure investment.

In Melbourne, for example, seven Growth Areas councils are expected to deliver 180,000 new dwellings in greenfield developments over the next decade. The housing target for greenfield development in Melbourne’s seven growth areas (354,000 new dwellings by 2051) is more than twice the target for in the rest of Victoria (137,000 new dwellings by 2051).

For these diverse and fast-growing outer suburbs, the Victorian government has announced a new round of the existing Growth Area Infrastructure Contributions funding, of \$150 million. In contrast, the government has also committed a \$1 billion investment to build 1,300 new homes in regional Victoria, including a mix of social and affordable housing<sup>4</sup>.



Source: ABS Building Activity, Estimated dwelling completions in Growth Areas, data compiled by REMPLAN 2025 for NGAA.

### One in five Australians already live in Growth Areas

Growth Areas absorb the bulk of Australia's population growth, and this is likely to continue under current State housing plans. In the last five years the population in Growth Areas rose by more than 650,000, which was 43% of Australia's population growth over that time. With an average growth rate of 2.9% per annum, Growth Areas' population increased by more than double the national rate of 1.2% per annum. By 2024, the resident population in Growth Areas reached more than 5.8 million. And with higher birth rates than the national average, one in four Australian children already live in Growth Areas.

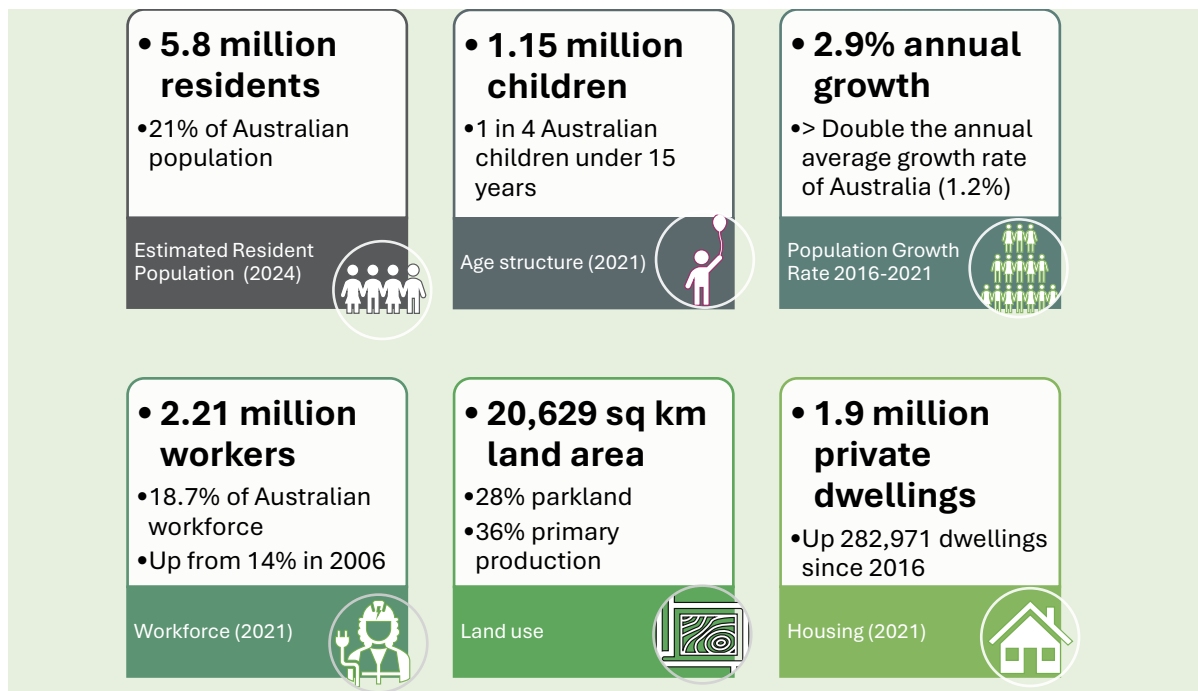
This growth trajectory is set to continue, with over 7 million people projected to be living in Growth Areas by 2031.

### Growth Areas are nationally significant urban regions

Growth Areas are making a significant contribution to Australia's economy and support key industry sectors. Growth Areas generate \$713.5 billion in annual economic output, with the Manufacturing sector making the greatest contribution to this output. Even with a local jobs shortfall relative to resident workers, Growth Areas support 1.6 million jobs. Almost one in five of Australia's construction workers live in Growth Areas. In Greater Sydney, almost half (48%) of the 117,000 construction workers live in Growth Areas.

Owing to their location on the outskirts of greater capital city regions, Growth Areas are the gateways to inner regional areas for freight and logistics, markets and services.

Figure 1 Key characteristics of Australia's growth areas



Source: Australian Bureau of Statistics (ABS) data Compiled and presented by profile.id Community Profile

## **Growth Areas need prioritised infrastructure investment**

RMIT's Centre for Urban Research has found inconsistent funding causes long lags in essential infrastructure, undermining liveability, sustainability and productivity. Their 2022 report for NGAA, '*The benefits and challenges of Australian Government investment in infrastructure in outer suburban growth areas*<sup>5</sup>', demonstrates that improving access in growth areas would deliver widespread benefits for communities. Notably, early provision of infrastructure and services maximises these benefits, highlighting the need to accelerate delivery alongside growth. Feedback from member councils confirms persistent infrastructure deficits in new communities. Catching up on infrastructure and essential service delivery in growth areas is a national priority.

## **Perpetuating urban myths undermines the future for our cities and communities**

The National Housing Accord is supported by its corollary: an agreement by the Commonwealth States and Territories to a National Planning Reform Blueprint (the Blueprint) to outline planning, zoning, land release and other measures to improve housing supply and affordability.

In the rush to deliver the Accord targets and Blueprint reforms, state and federal government agencies are at risk of acting on some commonly held myths about the structure of our cities and repeating past mistakes leading to poor social, economic and environmental outcomes.

### **Myth 1: Local government is blocking supply**

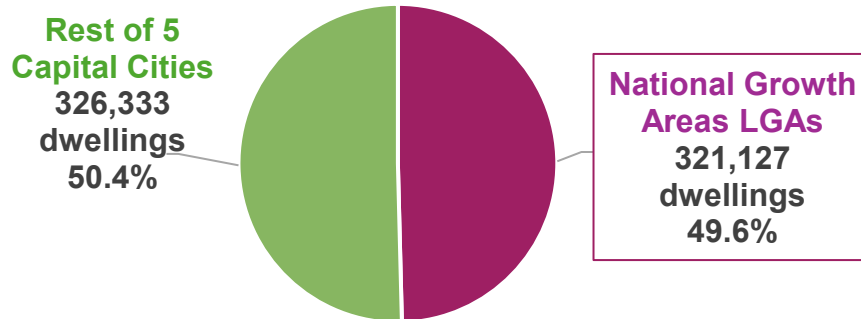
**Reality:** Growth Area councils are meeting or beating targets for Development Assessment (DA) completions. Growth Area councils approved over 64,000 dwellings last financial year, taking the total to more than 320,000 dwellings in the last 5 years. That is around half of all dwellings approved across the five capital cities where they are located. Delays often sit with state-controlled utilities (such as water and power), not council approvals,

Not only are Growth Area councils implementing strategic planning and land rezoning to facilitate housing supply, but they are also meeting or exceeding expectations for development approvals timeframes.

In Melbourne, six of the seven councils on track to exceed dwelling targets are Growth Area councils. Melton City Council for example, approved 4,545 homes in the past 12 months and is on track to meet its target of 109,000 dwellings by 2051.

In Sydney, in 2024-25, six of the top ten councils by DA performance (number of DA assessments meeting timeframe expectations) were Growth Area councils (The Hills, Camden, Blacktown, Wollondilly, Penrith and Campbelltown).

Growth Area councils assessed almost half of all dwellings approvals across their 5 capital cities  
FY 2020-21 to 2024-25



Source: Australian Bureau of Statistics, Building Approvals, 2024-25, released 7 August 2025<sup>6</sup>

### Myth 2: “Where people want to live” is inner city areas

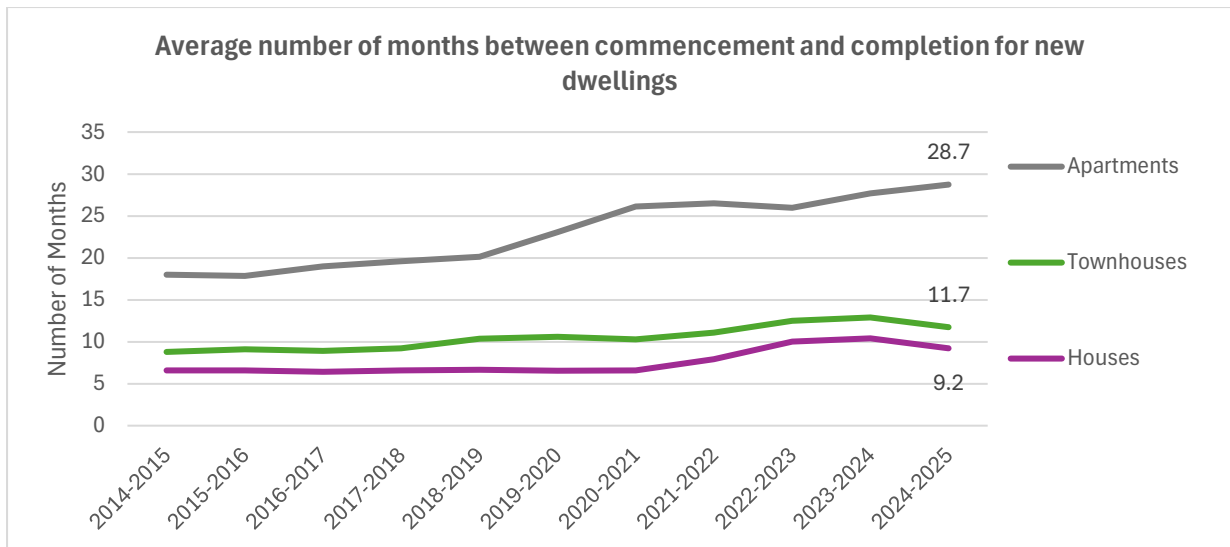
**Reality:** The implicit assumption that higher house prices and dwelling density in inner city areas equate to “where people want to live” is flawed. Internal migration data shows many people are moving to live in Growth Areas and are choosing to stay. In 2021, 53% of Growth Area residents lived at the same address as in 2016; 37% moved from elsewhere in Australia; 5% from overseas. Of movers, 55% came from another Growth LGA. Between 2016 and 2021 around 1.93 million people moved from elsewhere in Australia and 232,000 from overseas into Growth Area LGAs.

Both the Accord and the Blueprint not only refer to measures to increase housing supply but have the stated aim ‘to promote medium and high-density housing in well-located areas close to existing public transport connections, amenities and employment’.

Although there is no clear definition of well-located, this aim has emboldened Federal and State Governments to focus attention on population growth in established suburbs, while largely overlooking the infrastructure needs of the 5.8 million people already living in Growth Areas and the million more who will choose to move there over the next five years.

While there is no argument that higher density housing and urban consolidation around rail stations in cities is a sound planning objective, political narrative overlooks the ongoing strong market demand for detached houses, as well as the growing diversity in housing typology in growth areas.

Additionally, the average time from commencement to completion for new houses is three times shorter than for apartments, highlighting the efficiency and market preference for detached homes.



State governments are assisting in some areas with the development of passenger transport infrastructure that acts as an effective catalyst for renewal in long neglected centres, and for well-located new centres in greenfield sites, such as the Western Sydney Airport Metro in St Marys, in Penrith City Council, NSW and the expansion of the Metronet across Growth Area councils in Perth, Western Australia.

### **Transport infrastructure investment supports well located housing in Western Australian Growth Areas**

Western Australia’s Perth and Peel @3.5million<sup>7</sup> land use planning and infrastructure frameworks aim to accommodate 3.5 million people by 2050. The frameworks define the urban form for the next 30 years, and provide guidance and certainty to State Government agencies, local government and the development sector. They encourage significantly greater infill development with almost half of the required 800,000 new homes – 380,000 at a minimum - to be built through infill development.

Nearly 100,000 (26%) of planned infill dwellings will be in Growth Area LGAs with others aligning with METRONET. Growth Areas are required to manage infill development as well as 277,010 dwellings in greenfield development. While the proportion of infill varies from just 4% infill in the Shire of Serpentine-Jarrahdale to 49% in the City of Cockburn, the proportions are mostly in the higher range.

### **Myth 3: Greenfield is always more expensive than infill**

**Reality:** Early, sequenced infrastructure in greenfield is often more efficient than retrofits, and infill also carries major, unexamined costs. Much of Australia’s 260,000 km urban water network is near end-of-life; replacements and new demand (≈315 GL/yr) imply multi-billion upgrades.

Emerging industries (such as data centres in Blacktown and Melbourne’s west) further lift servicing needs, which are best handled through upfront planning and funding. This myth is perpetuated by the fact that research has been published on greenfield infrastructure costs, but not on the cost of upgrading established infrastructure to support increased capacity for infill development.

Recent research in Melbourne growth councils, Wyndham, Melton and Casey found that the benefits of early delivery of high-quality transport infrastructure and services outweigh costs by 18:1 in the Wyndham growth area and 23:1 in the Casey growth area<sup>8</sup>. With early planning and delivery of rail connections, many more dwellings, could be delivered over time in ‘well located,’ mixed-use, transit-oriented development in vibrant centres in Growth Areas.

#### **Myth 4: Inner-city living will guarantee proximity to jobs**

**Reality:** Australia’s capital cities have thriving metropolitan economies at the regional level. Professional and well-paying employment is increasingly found in these dynamic outer and middle suburbs, yet policy and investment remain narrowly focused on CBDs, location of only 15% of Australia’s workforce. This approach overlooks the diverse, decentralised nature of Australia’s urban workforce which would be bolstered by precinct-level sequencing of utilities, transport, schools and health, allowing housing and jobs to grow together.

#### **Myth 5: Outer suburban housing is less sustainable**

**Reality:** There is considerable potential for sustainable development in Growth Areas. In 2024, rooftop solar was the primary driver of Australia’s clean energy transition in terms of capacity added. Roof top solar now accounts for 12.4% of Australia’s electricity generation mix<sup>9</sup>. Already more than 3.6 million households have solar panels on their rooftops, that’s one in three households nationwide<sup>10</sup>. In Growth Areas, nearly half (49%) of all residential dwellings have solar panels installed, equivalent to a quarter (25%) of the total of residential photovoltaic solar capacity in Australia<sup>11</sup>. With carefully targeted incentives and investment focussed on clean energy, sustainable urban design and public and active transport, Growth Areas will help accelerate Australia’s transition to net zero emissions target by 2050.

## **Australia’s largest infrastructure project: Unlocking land for housing supply**

Increasing the supply of suitable and affordable housing has been touted as the key solution to the housing challenge, but a fundamental constraint on housing supply is the need for enabling infrastructure. Enabling infrastructure means the basic utilities that are required before housing construction can begin including connections for water (potable and storm water), sewer, energy and road.

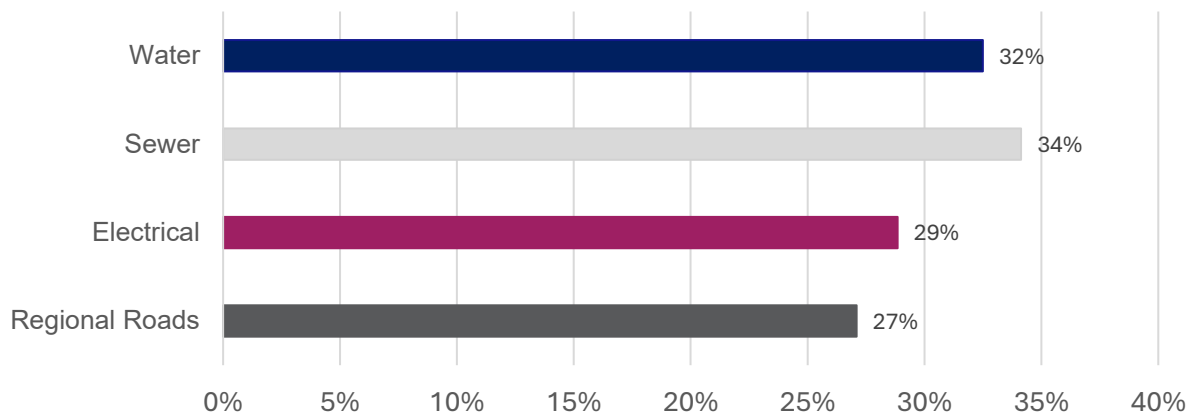
The Urban Development Institute of Australia (UDIA), which represents many private developers, has undertaken an assessment of potential residential land supply across five capital cities to identify constraints to new housing supply. This assessment reported in the UDIA *National Housing Pipeline*<sup>®</sup> provides a comprehensive analysis of true developable land capacity and the major barriers to new housing supply across Australia’s key housing regions. The most recent UDIA National Housing Pipeline 2024<sup>12</sup> report surveyed developable land across the five capital cities where Growth Areas are concentrated and assessed the constraints to dwelling yields in those areas.

The key finding in 2024 report highlighted is that:

- One third (33%) of the combined Capital City National Housing Pipeline survey yields require one or more types of enabling infrastructure to progress to dwelling commencement status

While the UDIA identifies a range of other constraints on development of zoned residential land, these are not as urgent as the need for enabling infrastructure. Indeed, there are housing developments occurring across Growth Areas without enabling infrastructure, leaving hundreds of families without connections to basic utilities like sewage.

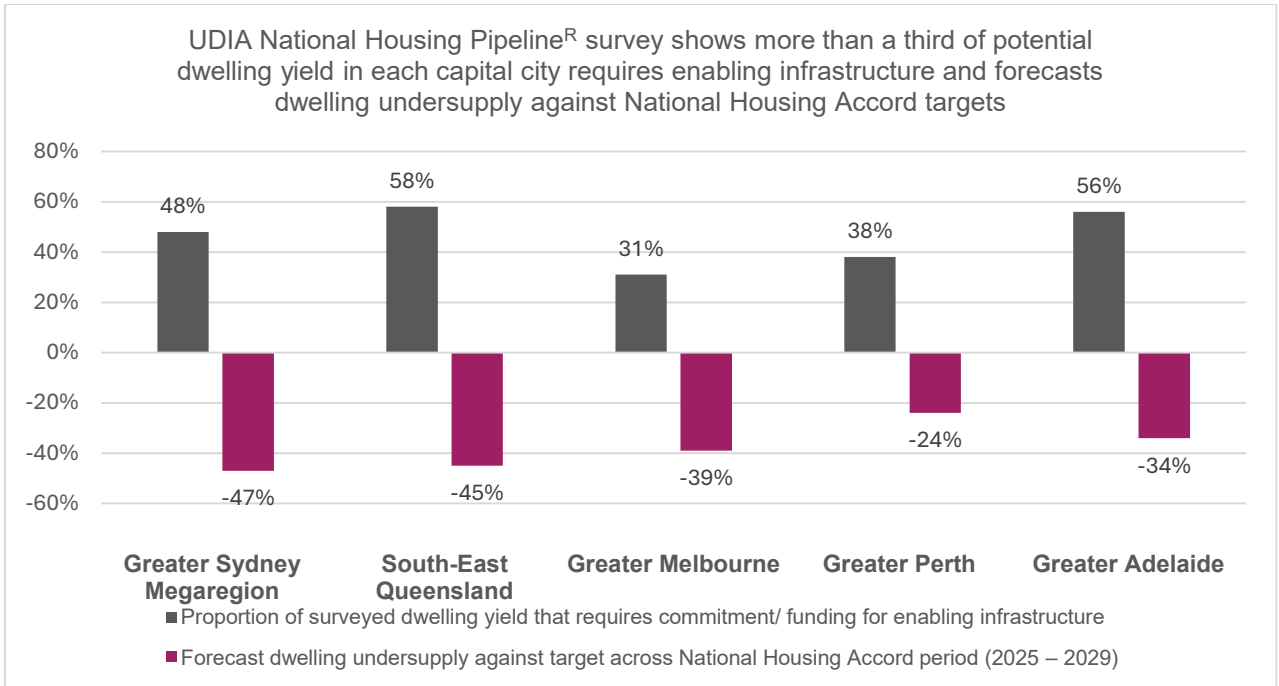
### Proportion of Dwelling Yields Requiring Enabling Infrastructure Commitment/Funding (Combined Capital Cities)



Source: UDIA National Housing Pipeline 2024, reported data.

### **Enabling infrastructure constraints are the main barrier to supply**

In each capital city the need for enabling infrastructure on development ready land is the major constraint preventing achievement of housing targets in Growth Areas. The UDIA estimates that the lack of enabling infrastructure along with other constraints are leading to an undersupply of dwellings against the National Housing Accord targets of between 24% in Greater Perth and 47% in Greater Sydney.



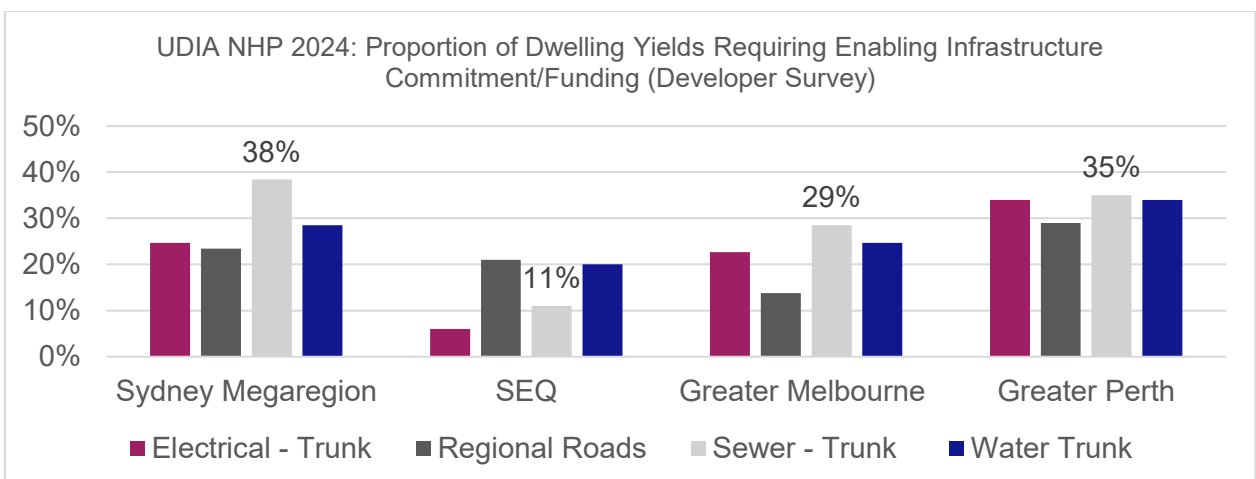
Source: UDIA National Housing Pipeline 2024, reported data.

The NGAA considers land reservation for environmental, social, economic and transport and other special purposes, including future readiness infrastructure, such as for renewable energy and battery storage, digital technology and communications (data centres, mobile communication towers) and or managing severe weather conditions (flood, fire, storm surge) as good planning rather than constraints.

### Growth Areas require upfront investment in enabling infrastructure

The most immediate barrier to housing supply on developable land in greenfield sites is the need for funding or commitment to deliver enabling infrastructure first: power, water, sewer and regional roads.

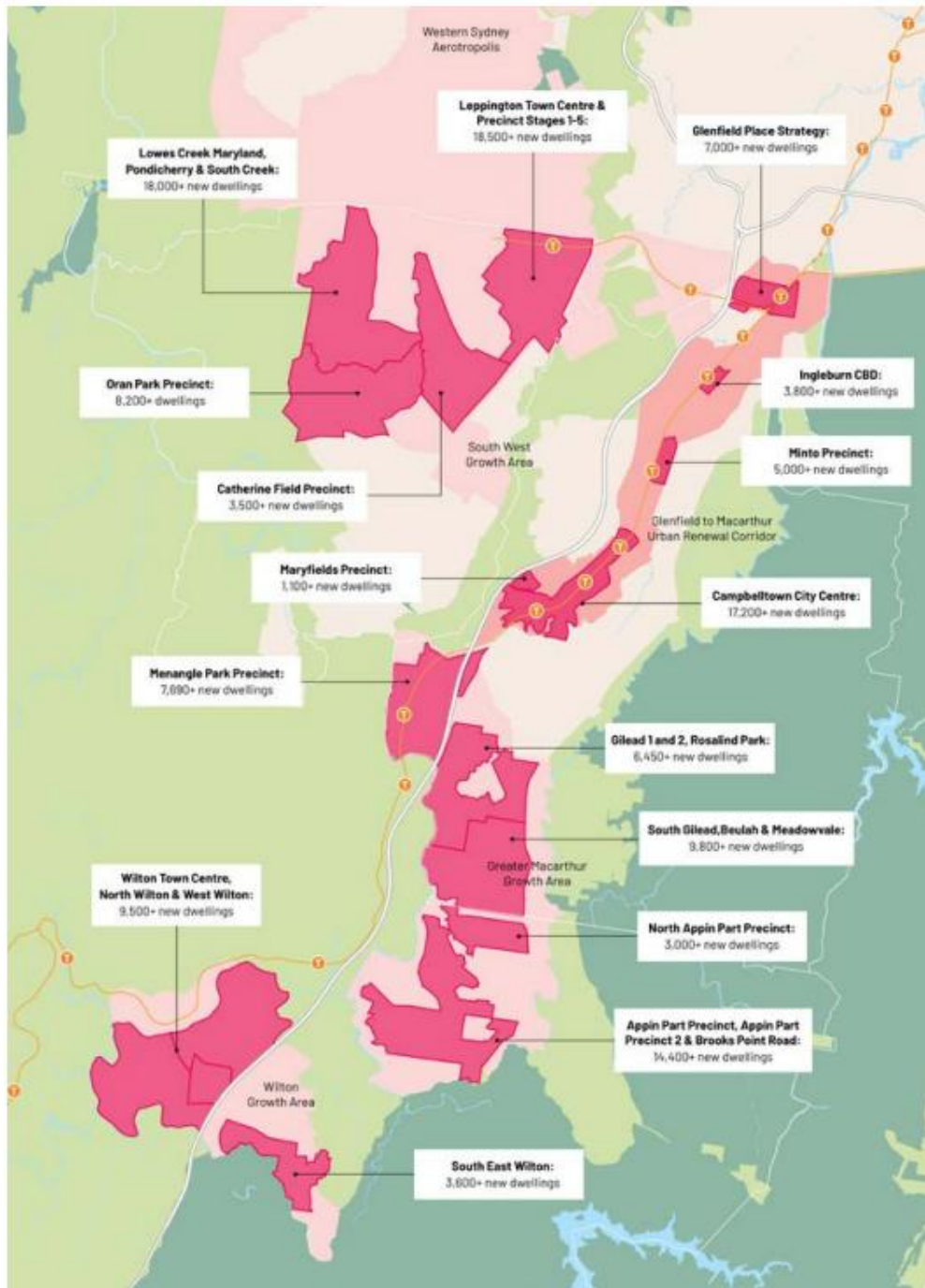
The UDIA Housing Pipeline 2024 report provides a broad overview of the proportion of developable land that is fundamentally constrained by a need for enabling infrastructure. In three of the four capital city regions surveyed, the main category of enabling infrastructure that is required is trunk sewer.



Source: UDIA National Housing Pipeline 2024, reported data.

In Greater Sydney, for example, the UDIA developer intentions survey requested landowners provide a 15-year forecast of forward dwelling yields across each of their mapped land holdings. Of this broader pipeline 38% of yields require trunk sewer funding or commitment with the Western Parkland City yields the most reliant on this form of enabling infrastructure provision. Trunk Water is the second largest category of servicing infrastructure required to realise forward yields (28%) followed by electrical (25%) and regional road infrastructure (24%) with the Western Parkland City also having the largest requirements across all these types of enabling infrastructure.

**Sewer connections for more than 20,000 dwellings are needed now**



Housing opportunities Macarthur region

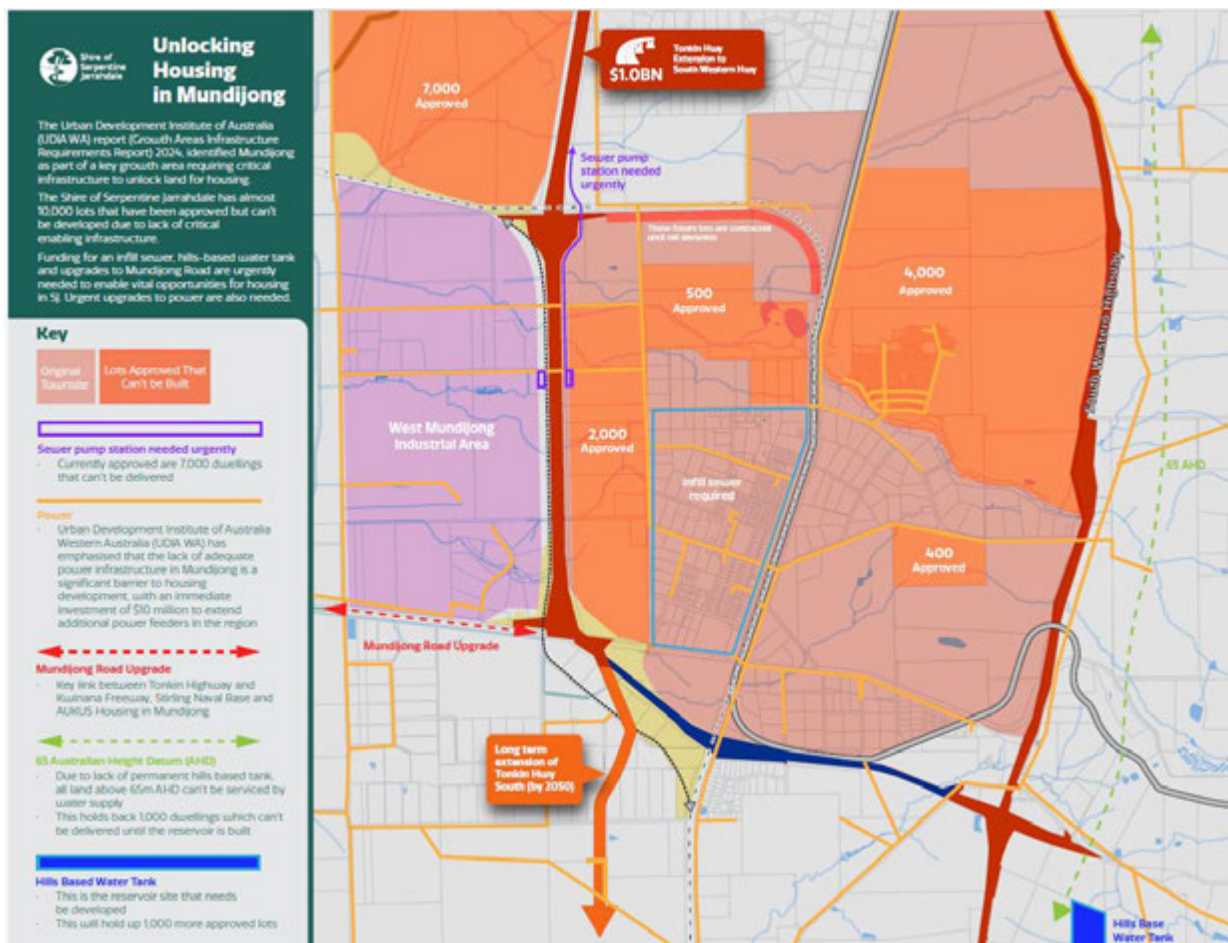
## Case Study: Greater Macarthur Growth region – Wollondilly Shire, NSW

The Greater Macarthur Growth Region has the capacity to deliver 120,000 new homes if accompanied by supporting infrastructure. This is 10% of Australia's entire target, and 32% of NSW's contribution under the National Housing Accord. The Wilton Growth Area forms part of the Greater Macarthur Growth Region, however, delays in infrastructure provision risk undermining this objective.

Wollondilly Shire Council is seeking urgent support to address a significant shortfall in sewer infrastructure in the Wilton Growth Area. The delay of long-planned upgrades to the Bingara Gorge Sewage Treatment Plant is expected to halt delivery of approximately 12,000 already-rezoned housing lots, constraining housing supply in one of the State's key growth areas.

Around 700 new homes currently rely on an interim trucking solution for wastewater removal, and capacity for future dwellings is nearly exhausted. This is due to a lack of alignment between State-led planning decisions and infrastructure delivery timelines, particularly for critical services such as wastewater.

A longer-term wastewater solution, the Upper Nepean Advanced Water Recycling Facility, is planned for delivery by 2032, but this leaves a gap in servicing capacity over the next several years. Council has also raised concerns about the timeframe for delivery of water and sewer infrastructure for the nearby Appin development, where approximately 13,000 homes are planned.



### ***Case Study: Unlocking housing in Mundijong development area in the Shire of Serpentine-Jarrahdale, WA***

The Shire of Serpentine Jarrahdale is an emerging growth area in south-eastern Perth has almost 10,000 lots that have been approved but are unable to be developed due to lack of critical enabling infrastructure.

The Urban Development Institute of Australia (UDIA WA) report (Growth Areas Infrastructure Requirements Report) 2024, identified Mundijong as part of a key growth area requiring critical infrastructure to unlock land for housing. Funding for an infill sewer, hills-based water tank, and upgrades to Mundijong Road are urgently needed to enable vital opportunities for housing. As an immediate priority, the Scott Road sewer pump station is urgently needed to enable 7,000 dwellings to be delivered. An allocation of \$12 million for the Scott Road Pump Station is included in the WA Water Corporation future plans but funding needs to be brought forward due to developers' inability to pre-fund the works, which could be reimbursed on completion of construction.

### ***Infrastructure for water recovery and storm water***

#### ***Case Study: Laratinga Water Recovery Plant in Mount Barker, South Australia***

Mount Barker District Council, east of Adelaide is dynamic emerging area, designated for growth under the Greater Adelaide Regional Plan. With a population of 44,772 residents in 2024, the community is projected to grow to 64,838 by 2046 - a 45% increase that will outpace many other regions in the South Australia. Mt Barker Regional Council has a licence from the EPA to operate the Mount Barker Wastewater Treatment Plant (WWTP), the largest wastewater business in South Australia outside of SA Water, managing essential services for a rapidly expanding population. They receive no government funding to support these operations. State and federal investment is needed to upgrade and expand wastewater infrastructure to provide sustainable wastewater management that meets community expectations and environmental standards.

Council has previously obtained Planning Consent Approval for a new WWTP (Laratinga Water Recovery Plant (LWRP)) on the existing Springs Road site. The project aims to mitigate adverse impacts of residential development on the Mount Barker Creek by constructing the new plant in compliance with the Environmental Improvement Plan, which will have the capability to operate within a range of water quality outcomes to minimise pollutant concentrations within discharges to Mount Barker Creek and to optimise operational costs for recycled water production. The Council has been advocating for \$48 million in co-funding for this essential infrastructure. Council has applied for funds through the Housing Support Program but has yet to be informed of the outcome.

#### ***Case Study: Stormwater management in Riverstone East, Blacktown City Council, NSW***

Blacktown City Council is one of Australia's largest growth areas, with a population of 430,460 forecast to grow to 572,860 by 2046. The NSW State government is investigating sites to develop a further 50,000 dwellings around Blacktown's existing train stations at the same time Council is progressing development previously planned in Stage 1 and 2 of Riverstone East Precinct, part of the Riverstone Schofield north-west development area, which, when complete, is planned to add approximately 20,000 new residential dwellings.

The Riverstone East Precinct Stage 3 plan was finalised by the State government with rezoning in May 2025. The plan allows for up to 3,600 new homes on flood-free land with 5%

of properties allocated for affordable housing, a mix of low, medium and higher, density residential buildings and open space and preservation of high-value vegetation.

Blacktown City Council is actively undertaking stormwater management projects to protect and improve water quality, as well as conserve, restore and enhance the City's biological diversity and ecosystem health. In addition to this, water sensitive urban design (WSUD) and integrated water cycle management is incorporated into new developments to help reverse waterway degradation caused by stormwater. Council is seeking to apply these high-standard water management approach to the Riverstone East precinct, but without additional funding from state and federal government developers face unaffordable upfront costs, and council faces unfunded maintenance burdens. With additional funding to implement WSUD plan, the precinct development is likely to be delayed while council and state government and developers create alternative drainage solutions.

### *Regional roads and strategic transport*

#### ***Case study: Melbourne's Outer North and West OMR-E6 Connecting Wyndham, Melton, Mitchell, Hume, Whittlesea***

Melbourne's outer north and west are home to some of Australia's fastest-growing municipalities including Mitchell, Whittlesea, Hume, Melton, and Wyndham. These communities are expected to accommodate millions of new residents in coming decades, making efficient transport connections essential to liveability and productivity.

The Outer Metropolitan Ring E6 (OMR-E6) is a 70-kilometre-long transport corridor designed to connect Melbourne's fastest-growing outer north and west with key employment precincts, freight hubs, and regional centres. Stretching from Little River in the west to Kalkallo in the north, the corridor will include provision for up to six road lanes and four rail tracks, providing an integrated and sustainable transport link for people and freight.

The OMR-E6 is a once-in-a-generation infrastructure project that will unlock economic potential, reduce congestion, and support net-zero emissions by improving the reliability and efficiency of movement across the region.

The OMR-E6 will:

- **Connect major highways** linking the Hume Freeway with the Calder, Western, and Princes Highways, providing a vital freight and commuter route.
- **Provide north–south, east–west, and south–west rail connections**, enhancing access to jobs and economic centres.
- **Ease congestion** on the existing Western Ring Road, which is currently at capacity, improving travel times and reliability.
- **Bypass regional centres**, reducing heavy vehicle traffic on local roads and improving safety for suburban communities.
- **Enable economic development** by unlocking land for State Significant Industrial Precincts and connecting to freight terminals in Beveridge and Truganina, Melbourne and Avalon Airports, and the Port of Geelong.

***Case study: Donnybrook Road upgrades in Melbourne north, Hume City Council, Mitchell Shire Council, Victoria***

Aligned to the development of the OMR-E6 road, is the need for Donnybrook Road to be upgraded. Donnybrook Road will be the key east-west road connecting Donnybrook residents to the Hume Freeway and employment precincts to the west and north-west in Hume City Council and Mitchell Shire Council. Both Councils are relatively small but growing rapidly. In the last five years across the growing suburbs of Mickleham and Kalkallo almost 5,000 residential lots have been released providing homes to over 15,500 people. In the next five years a further 3,000 residential lots will be released providing homes to around a further 9,900 people. The current population of 2,200 in Donnybrook is forecast to grow to 72,000 by 2041. Traffic volumes are forecast to rise from 10,000 to 46,000 vehicles per day by 2046.

Today the road struggles to service an estimated population of over 38,000 people. The significant congestion issues currently facing the road are impacting on the ability for people to get in and out of their communities, restricting safe passage for emergency services and hampering active transport all of which is affecting liveability for the residents of Mickleham and Kalkallo. It is important that improvements be made to support the community today and future proof it for the residents who will soon call this part of Melbourne's north home.

The Federal and Victorian State Government recognise the importance of this road infrastructure and have recently committed \$125 million to upgrade Donnybrook Road from the Hume Freeway exit to Dwyer Street, which is an excellent start, but more is needed to deliver the duplication ahead of the next wave of development.

***Case Study: Strategic road upgrades in South-West Sydney, Camden, NSW***

Camden Council is one of Australia's fastest growing areas with a population of 119,000 residents in 2021. It is projected to grow by 83.16% from 2021-2041 to have a population of 241,172 by 2041 at an average annual change of 3.5% per annum. Situated in Greater Sydney's south-west growth area (SWSGA), but with only one rail station at Leppington, Camden faces increasing pressure of growth on its road network, which impacts movement on Sydney's main motorway M1 and its connection between regional NSW and Western Sydney's International Airport.

There is a critical need for road infrastructure to service the new homes and facilitate development identified for the SWSGA. Rickard Road between Bringelly Road, Leppington and Oran Park Drive, Catherine Fields is required to be upgraded to support this future growth. The proposed upgrade aims to improve the connectivity to the South-West Priority Growth Area and allows a planned rapid bus route to be realised. Investment in this road upgrade would provide for active transport on a tier 1 cycle route and provides access to and through the new housing precincts. This connection would provide improved access to the train station, Leppington Town Centre and onto the airport.

***Case Study: Rail connection from Macarthur Region to Western Sydney Airport***

Related to Camden's need for road infrastructure, the Macarthur region also needs metro rail connection to the Western Sydney International Airport. Residents of the Macarthur region have suffered for years from a lack of ongoing investment in critical public transport and road infrastructure. In Campbelltown, the city centre is increasingly congested. A lack of public transport makes the population more dependent on private vehicles to access jobs, healthcare, education and other services.

Currently 70% of cars parked at Campbelltown train station are from outside Campbelltown LGA, mainly from Camden and Wollondilly. With a metro connection from Western Sydney International Airport to Campbelltown, these residents from neighbouring LGAs could access Campbelltown City Centre via public transport, liberating the commuter carpark land to be utilised for better economic purposes. Metro extensions need to be 1. Glenfield (via Leppington extension) and 2. between Campbelltown-Macarthur. These connections would ensure Macarthur residents can easily access employment opportunities at the new airport, move around the region via public transport, and maximise the draw of Campbelltown City as a destination.

***Case Study: Castlereagh Connection for flood evacuation in Penrith City Council, NSW***

Penrith is one of Australia's fastest-growing regions and among its most flood-prone. More than 20,000 residents in the Hawkesbury-Nepean floodplain could face evacuation constraints in a major flood due to limited north-south road connections.

The Castlereagh Connection is a proposed multi-modal corridor linking the M7 motorway at Marsden Park to the Bells Line of Road, providing a vital evacuation and economic corridor. Castlereagh Connection is recognised as part of Penrith's broader Flood Evacuation and Resilience Strategy. Acknowledging its importance, the Federal Government has committed \$50 million for planning and early works. However, the project delivery depends on matching NSW Government funding and coordinated planning across agencies.

Without the Castlereagh Connection, a dwelling cap of 4,000 homes currently restricts development in the Penrith CBD, despite zoning capacity for over 12,000 dwellings, because of flood evacuation limits. With investment for the delivery of this strategic road could unlock the housing capacity in Penrith CBD creating a vibrant city centre. Castlereagh Connection will enhance regional connectivity between the Western Sydney Aerotropolis, Penrith CBD and the North-West Growth Area and support the creation of local jobs and improved freight and commuter movement.

***Power supply provides the essential energy needed for daily life***

***Case Study: Power upgrades to support transit-oriented development in City of Gosnells, Western Australia***

The City of Gosnells is a well-established growth area in Perth's south-east. The City's population is projected to grow from 140,000 in 2025 to 171,000 by 2036. Council aims to unlock more diverse and affordable housing options, with its new Local Planning Scheme No. 24. The new scheme aligns with state *Planning and Development (Local Planning Schemes) Regulations 2015* and the broader State Planning Framework - ensuring the City of Gosnells is well placed to accommodate future population growth and meet housing targets under Perth and Peel @ 3.5 million. Their planning scheme includes new density codes to boost housing supply and diversity.

Gosnell's hosts the site of a new Metronet Maddington rail station. Council has been working to plan and deliver local infrastructure to support transit-oriented development of higher density dwellings near the new station but requires funding for enabling utilities. The project will require \$16 million for the delivery of essential enabling infrastructure in an area zoned for significantly higher residential density surrounding Maddington train station. The Council has been advocating to Western Power to improve the street lighting efficiency and reliability in the town centre, a necessary, but often overlooked, essential infrastructure.

With the investment, the Council will build six new roads, extend two roads and develop three new public open spaces, acquiring land not already in the City's ownership where necessary. The project will support the essential infrastructure for an area rezoned to facilitate significantly higher residential densities through approximately 550 lots surrounding Maddington train station. Investing in infrastructure in this project would reduce the developer contribution arrangements by 42% enabling more affordable housing to be included. Council lodged an application was lodged under the Housing Support Program, Community and Enabling infrastructure but was unsuccessful.

### **Communication technologies are essential infrastructure for every household**

The *Telecommunications in New Developments* (TIND) policy is an exceptional example of federal policy specifically addressing one of the many infrastructure challenges for Growth Areas. The policy aims to provide people moving into new developments with ready access to modern fixed and mobile telecommunications services, including broadband and voice; and to support a competitive and sustainable market for the provision of communications infrastructure by fostering efficiency, innovation and choice. First developed in 2011 alongside the roll out of NBN network, the policy acknowledges the critical importance of access to reliable and affordable communications for everyone. Yet there are still many hurdles for councils in Growth Areas to enable timely delivery of communications infrastructure to provide good coverage in new developments. This is particularly important for smaller, emerging growth areas with limited resources.

#### **Case Study: Mobile communication for Mount Barker and surrounds**

Mount Barker District Council has been advocating for improved digital and mobile connectivity across its outer townships, Brukunga, Harrogate, Dawesley and Kanmantoo, since mid-2023. These areas experience frequent service interruptions, with significant consequences:

- **Safety:** During the 2019–2020 Cudlee Creek bushfires, poor mobile coverage hindered emergency response and community communication.
- **Economic impact:** Small businesses operating in these communities face barriers to growth due to unreliable digital services.
- **Liveability:** Residents struggle to access online services, education, and remote work opportunities.

Although Mount Barker is one of South Australia's fastest-growing regions, its smaller townships remain digitally disconnected. A critical equity issue in an increasingly digital economy.

Following extensive community consultation and meetings with Telstra and NBN Co., Council developed a Digital Connectivity Plan, endorsed on 4 November 2024, identifying priority areas and funding opportunities.

To address known black spots, Council sought support through the Federal Mobile Black Spot Program (MBSP). Although Telstra did not submit an application in the most recent round, Council continues to explore options through Mobile Infrastructure Providers (MIPs) such as Indara, as well as other regional connectivity programs.

Mount Barker's experience demonstrates that while digital infrastructure is primarily a federal and private sector responsibility, local government plays a vital advocacy role, identifying gaps, engaging with carriers, and supporting equitable service delivery for residents.

### *Social infrastructure deficits in Growth Areas diminish liveability*

Creating liveable cities and resilient communities also requires the provision of infrastructure and services that support health and wellbeing including equitable access to social infrastructure and services like shops, schools, open space and natural environments.

#### **Existing social infrastructure deficits in Growth Areas**

Analysis of RMIT's Australian Urban Observatory's '[City Liveability Scorecards for Growth Areas](#)' identify clear disparities between growth areas and non-growth areas across capital cities in the distribution of community infrastructure and services that create liveable places and support wellbeing.

A 'liveable' place is defined as somewhere that is: safe, attractive, inclusive, and environmentally sustainable; with affordable and diverse types of housing, public open space, local shops, health and community services, leisure and cultural opportunities; with opportunities for employment and education all accessible by convenient public transport, walking and cycling<sup>13</sup>.

The Scorecards show the distribution of measures of liveability by suburb within each capital city using data for 10 indicators, which include social infrastructure (health, education, arts and cultural facilities and community and sport facilities), walkability, public transport accessibility, access to public open space and housing affordability.

The Scorecards reveal wide variation across capital cities with a trend towards higher liveability in the inner areas of each city and reduced liveability in outer areas of each city. The Scorecards show, in comparison non-growth areas of capital cities:

- Residents in growth areas face a **37% accessibility gap in public transport**.
- Growth areas have **68% less access to sports and leisure facilities** (Liveability indicator score: 0.07 vs. 0.23).
- Access to **arts and cultural facilities in growth areas is 44% lower** (Liveability indicator score: 0.49 vs. 0.87)
- Access to **health care facilities in growth areas is 48% lower** (Liveability indicator score: 1.25 vs. 2.42).
- Growth areas score **21% lower for access to education facilities** (Liveability indicator score: 1.99 vs. 2.53).

## Where the Federal Government can learn from past success

### ***Investing in growth areas is an investment in Australia's future***

In the 1970s, Australia's capital cities were at a similar crossroads. The rapid expansion of residential suburbs in the 1950s and 1960s had not been met with adequate provision of basic services and infrastructure. Many suburbs were not even properly connected to sewer lines. In his 1972 election campaign speech, Whitlam made it clear that cities were fundamental to the mission of his government, when he said,

*'A national government which cuts itself off from responsibility for the nation's cities is cutting itself off from the nation's real life. A national government which has nothing to say about cities has nothing relevant or enduring to say about the nation or the nation's future'.*

The Whitlam Government initiated and funded both the renewal of inner-city areas and enabling infrastructure and enhancements in the outer growth areas, providing substantial funding to the states with matching funds for urban public transport projects.

They also implemented the National Sewerage Program with \$330 million funding. In Sydney, the backlog of unsewered properties fell from 158,884 in 1973 to 95,505 in 1978. Similarly, in Melbourne, the backlog was reduced from 160,000 in 1972-73, to 88,000 in 1978-79, while in Perth the proportion of seweraged properties increased from 46.9% in 1972-73 to 69.1% in 1978-79<sup>14</sup>.

The Whitlam Government introduced legislation giving local government organisations access to federal funds for the first time through the Commonwealth Grants Commission. Under this arrangement, money was to be allocated according to the needs of each area, so the rapidly growing suburbs of Western Sydney received more funding than any other region in Australia. That investment in growth areas in Western Sydney, a region that half a century ago had a population of around 800,000, now supports nearly 2.8 million residents and contributes around \$183 billion in Gross Regional Product<sup>15</sup>.

### **Long term funding provides greater planning certainty**

A 2024 review of international best practices in urban infrastructure funding for NGAA<sup>16</sup>, including examples from the United Kingdom, Canada, Germany, the Netherlands and the United States of America, highlighted the importance of longevity in funding programs: all had multi-year funding frameworks that provide stability for large-scale projects and ensure consistent investment across political cycles. As stated in the report (page 26),

*'Australia has a valuable opportunity to adopt a federally driven funding program that addresses place-based infrastructure requirements, with objective criteria to ensure resources are equitably distributed'.*

A long-term funding approach could protect infrastructure investments from political shifts, supporting stable development and providing greater planning certainty for government, the development industry and communities.

There are good examples of how the Australian Government can work with states, territories and local governments to plan and prioritise the delivery of infrastructure projects. In contrast to other enabling infrastructure, funding for roads is regarded as a perennial infrastructure investment priority by all three tiers of government.

Roads infrastructure programs offer a good model for providing local government with dedicated and ongoing funding streams for enabling infrastructure. Programs such as the

Black Spot Program and Roads to Recovery have been a long-established source of funding for local councils to help them deliver safer roads and pedestrian infrastructure identified through systematic planning and scheduled works.

Funding recipients under the Roads to Recovery program, for example, have a set program allocation for each five-year program cycle and choose the projects on which they will spend their funding based on local priorities. Similarly, the Safer Local Roads and Infrastructure Program, funds projects which address current and emerging priorities in road infrastructure needs in an application-based, ongoing funding stream of around \$200 million per year.

A factor in the longevity of road funding programs is that a portion of Australian Government funding for road infrastructure is sourced from revenue received from fuel excise since 2014<sup>17</sup>. The Commonwealth could consider similar funding models, which are attached to a relevant revenue source, for establishing long term funding streams for enabling infrastructure for housing development. Indeed, the Housing Australia Future Fund is one mechanism that has potential to provide long-term support for enabling infrastructure for housing.

If tax reform in relation to housing were to be considered by the Commonwealth, such as introducing a broad based land tax to replace stamp duty, as recommended in 2009 Australia's Future Tax System Review (the Henry Review)<sup>18</sup> or adjusting the settings on capital gains tax and negative gearing<sup>19</sup>, then the revenue gained, or not forgone, could be reinvested in the Housing Australia Future Fund and then be reticulated to the states and territories for infrastructure needed to support urban and regional growth and renewal.

### **A Federal Housing Accord with varied implementation**

State and territory governments with the impetus of the National Housing Accord, and the incentive of the (mostly unallocated) \$3 billion New Homes Bonus performance-based payments have overhauled planning schemes and funding programs to accelerate the delivery of housing supply. These initiatives that support the delivery of enabling infrastructure highlight the value of state agency coordination and deliberative collaboration with councils and industry.

- South Australia's [Growth Infrastructure Coordination Unit](#) (GICU), is a dedicated, cross-agency unit for sequencing and co-funding to facilitate infrastructure provision for housing developments in growth corridors across the state. It is an early but promising template for ensuring that infrastructure is well planned and coordinated early in the development process will enable faster, more efficient and better planned communities. The aim is to remove barriers to development by providing certainty and transparency to the development industry to fast track the delivery of housing and enable South Australia to achieve national housing targets
- New South Wales government's [Housing Approval Reform Action Plan](#) is a joint initiative between the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW), Sydney Water, and Water NSW to streamline approvals and accelerate the delivery of critical infrastructure. The early-engagement model involving Sydney Water in proactive collaboration with developers and councils is highly regarded as useful "no-regrets" practice and generate a better understanding of constraints, opportunities and feasibility to reduce delays and improve development applications.
- The Western Australian government is using corridor forums to engage stakeholders and employ constraint mapping to identify suitable areas for development, including social housing initiatives identified through the [Housing Diversity Pipeline](#). The forums are

corridor-specific sessions with developers and councils backed by constraint-grounded pipeline intelligence help target the actual bottlenecks (power nodes, wastewater trunks, bridges) that constrain development.

- The Victorian Government's announced 27 new [Precinct Structure Plans](#) (PSPs) that will be created over the next 10 years. The PSPs aim to ensure that greenfield developments in Growth Areas are better sequenced and coordinated with infrastructure delivery. Government will also review existing Precinct Structure Plans (PSPs) that are not yet fully developed to understand opportunities for increasing the number and types of homes where there is sufficient planned infrastructure (transport, schools and community facilities) to support them. The government has established a dedicated concierge service to work with councils and industry to unlock constrained zoned land, identifying and addressing issues preventing high yield zoned land from being developed. The framework gives clear rules post-approval and encourages strong council–developer partnerships.
- Queensland's [Residential Activation Fund](#), is a \$2 billion program that partners with local councils and the private sector to unlock development-ready land over four years. The fund specifically targets projects where a lack of essential infrastructure, such as water, sewer, or road connections has delayed delivery. By sharing the upfront infrastructure burden, the program aims to bring forward thousands of lots, across both greenfield and infill locations, increase the stock of shovel-ready sites, and smooth the pipeline of housing supply into the market.

### **Collaboration with Councils delivers better outcomes**

Local government has long played a proactive role in shaping local housing outcomes.<sup>20</sup> Yet, their knowledge and expertise has been undervalued<sup>21</sup>, particularly in their capacity to engage with their local communities and undertake detailed analysis of infrastructure needs in their local area that are essential components of good urban policy and planning decisions.

For example, with their expert knowledge of their communities and environments, local governments play a crucial role in supporting their communities in preparing for and recovering from natural disasters, for building resilience to climate change and other shocks. At the same time local government have legislated responsibilities for developing detailed planning strategies, including housing strategies, structure plans and delivery plans, that can be ignored by state governments when they so choose.

## Conclusion

This report recommends a nationally consistent, evidence-based approach to the funding and provision of enabling infrastructure, to ensure homes can be built where Australians need and want them

Redirecting funding and refocussing investment to support enabling infrastructure in development-ready sites for housing supply in Australia's Growth Areas will not only help meet the National Housing Accord targets sooner, it will also help deliver the housing we need for the future we want for our cities and for our communities.

To meet housing targets and deliver equitable growth, we must:

1. **Realign Commonwealth funding programs** to support housing supply in Growth Areas to ensure immediate use and impact.
2. **Formally recognise Growth Areas as significant metropolitan regions** and designate growth corridors as Housing Priority Regions (HPRs) so funding and decisions can be tailored to the distinct needs of outer-metropolitan communities.
3. **Establish a Place-Based Investment Framework** that replaces fragmented, competitive funding with coordinated, evidence-driven investment. Set national standards, align with local needs, and foster pragmatic collaboration with local government for sustainable, equitable infrastructure delivery.

Housing delivery is a shared responsibility and Growth Area councils are ready to work with all levels of government to unlock the homes Australia needs.



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