

Regional Planning in  
New South Wales and Victoria Since 1944  
with Special Reference to  
the Albury-Wodonga Growth Centre

C. P. Harris and Kay E. Dixon

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**REGIONAL PLANNING IN NEW SOUTH WALES AND VICTORIA  
SINCE 1944 WITH SPECIAL REFERENCE TO  
THE ALBURY-WODONGA GROWTH CENTRE**

by

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The Australian National University, Canberra, 1978

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## AUTHORS' PREFACE

This study was begun in 1975 as a research project for the Centre for Research on Federal Financial Relations and was specifically concerned with regional planning in New South Wales and Victoria after the end of the Second World War. Regional planning is defined in this context as encompassing the regional components of statutory (physical and environmental) planning, balanced regional economic development and dispersed decentralisation policy, regional growth centres and selective decentralisation policy, and new cities or satellite towns in metropolitan regions.

In 1976, following an approach by Australian Frontier, the study was widened to include an analysis of the effects of the Albury-Wodonga growth centre program on the Albury and Wodonga City Councils, and the future role of local government in growth centres. The study of local government in the Albury-Wodonga Area was submitted to a Consultation arranged by Australian Frontier at Albury in November 1976, at which was discussed a paper prepared by the authors entitled "The Albury-Wodonga Growth Centre and Local Government: A Preliminary Report".<sup>1</sup> The local government components of this Report are summarised in an Appendix to this monograph, and the analysis of the Albury-Wodonga Growth Centre is given in Part Two, Chapters VIII to XIII.

Part One of the monograph examines the evolution of regional planning policies and programs in New South Wales and Victoria since 1944. The period is divided into two sub-periods, 1944 to 1963 and 1964 to 1976, the dividing years 1963/1964 being ones in which new important regional planning initiatives emerged in these two States. Regional planning policies from 1944 to 1963 are outlined in Chapter II, where the positions in both States are examined since in neither State were policy developments of great significance. However, since 1964 more significant changes have emerged, and two chapters are devoted to each State for the separate analysis of economic planning and environmental planning. The last chapter in Part One examines regional and urban policies of the Commonwealth Government, since these policies have had their greatest impact in the States of New South Wales and Victoria.

Apart from assistance provided by the Centre for Research on Federal Financial Relations, funds to finance this study have been supplied by the James Cook University from University Research and Universities Commission Special Grants, and by Australian Frontier which in turn received some financial support from the Albury and Wodonga City Councils.

In the course of carrying out this study we have received considerable assistance, particularly in the form of providing data and other information, from a number of organisations. The main ones,

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<sup>1</sup>For a summary of this Consultation see *Social and Financial Responsibility in a Growth Centre. Albury/Wodonga*, Australian Frontier, Melbourne, 1977.

whose assistance we gratefully acknowledge, are: (a) in New South Wales: Department of Decentralisation and Development, Planning and Environment Commission, Albury City Council and the Councils of several other provincial cities in the State; (b) in Victoria: Premier's Department and the Division of Industrial Development, the Town and Country Planning Board, the Melbourne and Metropolitan Board of Works and the Wodonga City Council; (c) Commonwealth Departments: Australian Bureau of Statistics, New South Wales and Victorian Offices; and the Department of Environment, Housing and Community Development; (d) Albury-Wodonga Development Corporation. The use made of these data and information, and the conclusions and deductions we have drawn from analysing them, reflect, of course, our own interpretations of the data and our social values, and these conclusions may not correspond to the views of the various organisations which have assisted us in this study. Moreover, any errors and omissions, both of fact and of interpretation, which remain in this publication are our individual responsibility and result from shortcomings in our approach and analysis, not from any lack of co-operation from most organisations whose assistance we have sought. We also wish to thank Joy Walteson and Janelle West who have typed the various drafts of this study.

The evaluation of the degree of success of regional policies has been limited in this study to one aspect, movements of population between and within regions. This approach can be justified in that all urban and regional policies as propounded by governments refer to the objective of stopping the drift of population from the country to the metropolitan areas, and of providing better planned new cities for the growing metropolitan population. However, by limiting the evaluation in this way, many other significant elements are ignored, and to that extent the evaluation is preliminary and incomplete. In particular, no study has been made of the ways in which the industry structure of regions has altered over the 30-year period being studied. There are two reasons for not undertaking this kind of analysis. First, no census data for the year 1976 are available at the time of writing this monograph other than for population; second, relevant regional data on a time series basis are available only from census and some other statistical publications, and difficulties exist in utilising this data because of differences and changes in definitions and coverage. A study of changes in the industry structure of regions is therefore adjudged by us to require an intensive study in its own right, and no superficial analysis could be justified or provide any worthwhile evidence for evaluating the degree of success of regional programs.

This study is concerned with many on-going projects and programs, and in these instances the latest information available at the time of writing has been used. In general the discussion of on-going projects and programs refers to the situation as it existed at the end of periods ranging from 30 June 1976 to 31 October 1977.

C.P. Harris

K.E. Dixon

December 1977

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**PART ONE**

**DECENTRALISATION, REGIONAL DEVELOPMENT AND  
ENVIRONMENTAL PLANNING POLICIES**

## I THE CONCEPT OF REGIONAL PLANNING

"Every society's economic activity depends partly on what one might call spontaneous forces and partly on deliberately contrived economic management. Regional planning is an attempt to improve deliberate economic management, and its general effect is therefore to limit and control the spontaneous forces."<sup>1</sup>

### 1. The Planning Process

The above quotation emphasises the inherent feature of planning, namely its intention to change what would otherwise have happened or to guide what is happening. The purpose is to achieve a situation which the planners regard as preferable to the one which would have been the outcome of the operation of unregulated spontaneous forces. The need for planning arises because there are some observable or demonstrable defects in the ways in which decisions are made in a system based solely on the operation of spontaneous or market forces (the so-called *laissez-faire* system).

In a broad sense planning, defined as deliberately contrived management, may be equated with any kind of rational behaviour whereby a behavioural unit seeks to determine future outcomes which better conform to its objectives. Such a view is, however, too wide for most purposes. Although all planning is a rational approach to decision making, it does not necessarily follow that all rational behaviour results from planning. A second aspect of the definition of planning is related to the organisational significance or structure of the planning unit. While in one sense it is true that a firm or household, in responding to market forces, plans its operations to attain its objectives, it is usual to exclude "private sector planning" from the general connotation of the term "planning", restricting its use to procedures adopted by government or the public sector. Planning in this context is identical with public planning.

Within the public sector itself it does not necessarily follow that all rational decision-making processes which contribute to the attainment of the objectives of government will be planning. In many ways government activities are similar to private sector activities. The necessity for planning arises not because the decisions of government are better than private decisions. Rational behaviour on the part of individuals ignores to a significant degree the fact that individual behaviour may, for good or for bad, affect the ability of other individuals to attain their objectives, because rational individual behaviour seeks to maximise the objectives of the individual. The basis of public planning rests on the principle that there is a distinction between rational individual behaviour and rational collective behaviour, because

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<sup>1</sup>F.B. Gillie, *Basic Thinking in Regional Planning*, Mouton & Co., The Hague, 1967, p. 38.

of the interdependence between decision-makers in the private sector and the lack of any automatic mechanism whereby this interdependence can be incorporated into the private decision-making process. The fundamental justification for public planning is the existence of externalities, the disparity between individual costs and benefits on the one hand and social costs and benefits on the other. Planning, seen as a function of the public sector, is an attempt "by centralising the management of the allocation of resources sufficiently, to take into account social costs and benefits which would be irrelevant to the calculations of the decentralized decision maker".<sup>2</sup>

Planning, defined as a process by which the government seeks to avoid external costs that would accrue from the operation of unfettered spontaneous forces and to obtain external benefits that would not otherwise be generated, implies that the economic system consists of a private and a public sector. This definition is therefore applicable to an economy which to varying degrees may be classified as free enterprise. In a mixed economy of this kind the "visible hand" of government or the planners is superimposed upon, but does not replace, the "invisible hand" of the free market.<sup>3</sup> Where the "invisible hand" disappears completely as the co-ordinating mechanism the economy becomes a centrally planned command system.

The means by which the planners seek to change the direction in which the economy would otherwise move vary according to the degree of intervention or action desired by the government. The command system, as mentioned above, represents one extreme case where a maximum degree of intervention is sought; the *laissez-faire* system represents the opposite extreme case. The mixed economy falls in between these two extremes, approaching the *laissez-faire* system when the degree of intervention is low and approaching the command system when the degree of intervention is high. When the degree of intervention is relatively low, government planning measures may consist in the main of various kinds of incentives and disincentives which are intended to induce the private sector to make socially desirable decisions - i.e. decisions which will avoid or minimise external costs and maximise external benefits. In their approach to planning the French emphasised the distinction between their method and that of, say, the Soviet Union by using the term indicative planning, and perhaps this term can be applied more generally to a planning process where the intention is to influence private decisions, not to take the power to make decisions away from the private sector.

The disadvantage of the indicative approach to planning is that there is no certainty that the private sector will respond to the incentives and disincentives in the required way or to the extent desirable (from the viewpoint of the planner). In contrast some anti-planners have seen this feature as a great advantage. "The reasoning of the child who wrote, 'Pins have saved hundreds of lives by the not swallowing of them'

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<sup>2</sup>G. Sirkin, *The Visible Hand: The Fundamentals of Economic Planning*, McGraw-Hill, New York, 1968, p. 45.

<sup>3</sup>*ibid.*, p. viii.

is nicely applicable here: Plans have saved dozens of economies by the not following of them."<sup>4</sup>

## 2. Planning and Plans

A plan is the documentation of the objectives of planning, an outline of the means by which these objectives will be sought and attained, and in some cases (but not all) a description of the end state of the system at the completion of the planning period. Some analysts may wish to limit the concept of a Plan to a document which includes all three elements, but it is evident that where planning is indicative and relies mainly on incentives and disincentives it will not necessarily be possible to forecast the end state of the system. An evaluation of the success of planning in this case will consist mainly of a description of the present state of the system and how the policy measures are deemed to have influenced that state. As will be seen in subsequent chapters, for example, decentralisation policy in Australia is not associated with the production of a Plan which forecasts what will happen (the end state); on the other hand indicative planning in France is associated with the production of a detailed Plan conforming to all three principles outlined above, and this is also the case with most kinds of statutory (physical) planning. Where Plans consist only of a list of objectives and policy measures it is difficult if not impossible to evaluate their performance or degree of success in attaining the objectives sought, because these objectives have not been quantified into desired or planned amounts of change. Thus the success of decentralisation policies are reported by the planning organisations in terms of the number of firms induced to locate in country areas, or the number of inquiries received, or the number of users of particular facilities offered by the organisation. However, the degree of success is not measurable because no forecast is made at the beginning of any planning period of the number of firms or users which it is hoped or intended to influence. The reason for this omission is that decentralisation policies in practice frequently represent a dispersed strategy of uniform treatment of all regions. In contrast, when a specific project such as a regional growth centre is introduced, it is usual for a Plan to be developed in great detail, containing various kinds of forecasts and projections in measurable form.

## 3. Collective Choice

The planning process as defined above is essentially a method by which collective choices or decisions replace to some extent individual choices or decisions. This is inherent in the criterion of externalities applied to the definition of planning, since these externalities reflect the competitiveness or complementarity between individual choices based on individual preferences.

While it is simple to consider preferences and preference scales in

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<sup>4</sup> *ibid.*, p. 92.

the case of an individual, it is not an easy matter to apply these concepts to society as a whole (or to a particular part of it). It is, however, necessary to consider collective preferences and preference scales in a mixed system where the related political system is one of democracy with multi-party representation in parliament. This is so because the planning procedures and measures adopted by the government should, as far as possible, reflect the collective wishes of the electorate.

This raises the question of how collective preferences can be gauged when externalities are present. In the simple case where all or most individuals are aware of their existence the government may act (or be forced to act) because of unanimity or general consensus. However, difficulties arise when most individuals are unaware of the externalities; or are aware of the externalities but are unaware of their social disutility; or are complacent, apathetic or indifferent. In cases of this kind, if the government and its advisers are sufficiently concerned and motivated, they may initially try to arouse public awareness and knowledge of the problem by education, publicity, or the holding of commissions of inquiry. In this way the government may subsequently justify its decisions by substituting for some expression of collective choice the views of the commission of inquiry.

In other cases, however, the government may proceed with its planning measures on the principle of an electoral mandate, because a majority of voters voted for the governing party. However, this kind of argument, which implies that elections in their present form are a guide to collective preferences, is difficult to accept without considerable qualification, because the elector is faced with an all-or-nothing choice. Only if voters could indicate their preferences for all items in the policy platform (rejecting some, accepting others, perhaps even being able to give some kind of weight to their degree of acceptance or rejection) could the electoral procedure be said to be a method of gauging social preferences.

Whatever the method by which the government seeks to identify the collective wishes of the community - whether for building growth centres, stopping the expansion of freeways, mining uranium, or giving land rights to Aborigines - it is likely that the final policy measures and results will not coincide with what the members of the community initially in favour of the program believed would happen. There is a great difference between support for an objective and acceptance of the means by which that objective is attained. The gap between politicians and society which makes it difficult for individuals, singly or collectively, to influence government action, is relatively small compared with the gap between professional advisers and the general public. The professional advisers are seen as the architects of the Plan, the persons who recommend what will actually be done. This task is too difficult and demanding of expertise to expect it to be performed by politicians, who are forced to accept or reject the recommendation of the advisers. Even the politician may find that the ways in which the expert planners translate objectives into actualities differ from his expectations, but there exists some degree of contact between the politician (the Minister at least) and his advisers. This is not the case for the general public.

This deficiency in the planning process is the basis of the emerging movement for community participation in government decision-making and

planning; community participation is the means by which the planner is made aware of collective preferences.

#### 4. Planning and Regions

Regional planning may be most simply defined as the planning of regions, the kind of planning - economic, physical, social, administrative - being separately denoted. The relevant concept of region is therefore the planning, programming or policy-oriented region. How the regional boundaries are delimited will depend on the kind of planning envisaged, the number of governments involved, and the objectives of planning. For example, when regional economic planning is pursued as a component of national planning for economic growth the regions will be complementary regions delimited by the application of polarisation or functional integration criteria. In other words the regions will be formed by the identification of the directions and intensities of various kinds of economic and social linkages. These linkages are vectors which when measured and plotted will normally identify a number of nodes (central points of greatest attraction) and watersheds (the boundaries of equal attraction of different nodes). The nodes will be the regional capitals and the watersheds the regional boundaries.

Sometimes, however, regional economic planning is related to the existence of some economic problem, such as disparities in levels of income or rates of unemployment, where the spatial distribution of the problem is not uniform. In this case the planning may be limited to those regions where incomes per head are significantly below the national average or unemployment rates significantly above the national average. The planning regions in this case are homogeneous regions, the areas within each region having relatively uniform characteristics with respect to the problem being analysed. In this case internal uniformity replaces linkages as the criterion for delimiting regional boundaries.

The above illustrations indicate that the purpose and objectives of planning determine what is the most appropriate set of regions, and also whether the nation will be divided into a complete set of regions or only a limited number. Some planners have sought to find a general-purpose set of regions, to which all kinds of planning and objectives can relate. While it would be inefficient to determine a unique set of regions for each policy objective, it may also be inefficient to determine a general set applicable to all policy objectives. The complexity of the regional approach to economic planning is shown by the classification in Table 1, which is an extension of suggestions by Klaassen and Friedmann.<sup>5</sup> This classification, which is not exhaustive, identifies six kinds of regions, two in the metropolitan area and four in the non-metropolitan area. The regions may also be grouped into three sub-classes, two prosperous regions (types 2 and 3); two distressed regions (types 1 and 6); and two transitional regions (types 4 and 5), one of which is becoming prosperous and the other distressed.

<sup>5</sup>L.H. Klaassen, *Programmes for Area Economic and Social Development*, OECD, Paris, 1964; J.F. Friedmann, *Regional Development Policy*, MIT Press, Cambridge, 1966.

Table 1. TYPES OF REGIONS: AN ILLUSTRATION OF A CLASSIFICATION FOR ECONOMIC PLANNING

ECONOMIC FEATURES	TYPES OF REGIONS					
	METROPOLITAN REGIONS		NON-METROPOLITAN REGIONS			
	CORE REGIONS (CENTRAL CITY) Distressed	FRINGE REGIONS Prosperous	PROSPEROUS REGIONS (GROWTH CENTRES)	POTENTIAL PROSPEROUS REGIONS (transitional upwards)	POTENTIAL DISTRESSED REGIONS (transitional downwards)	DISTRESSED REGIONS
(1)	(2)	(3)	(4)	(5)	(6)	
1. <u>Relative growth rates of domestic product</u> $\frac{G_r}{G.}$						
a. $\geq 1$	x	x	x	x		
b. $< 1$					x	x
2. <u>Relative levels of personal income per head</u> $\frac{Y_r}{Y.}$						
a. $\geq 1$	x	x	x		x	x
b. $< 1$				x		
3. <u>Population Growth rate</u>						
a. $> 0$	x	x	x	x	x	x
b. $\leq 0$						
4. <u>Population density</u>						
a. high to very high	x					
b. medium to high		x				
c. low to medium			x			
d. very low to low				x		x

Table 1 (continued)

ECONOMIC FEATURES	TYPES OF REGIONS					
	METROPOLITAN REGIONS		NON-METROPOLITAN REGIONS			
	CORE REGIONS (CENTRAL CITY) Distressed	FRINGE REGIONS Prosperous	PROSPEROUS REGIONS (GROWTH CENTRES)	POTENTIAL PROSPEROUS REGIONS (transitional upwards)	POTENTIAL DISTRESSED REGIONS (transitional downwards)	DISTRESSED REGIONS
(1)	(2)	(3)	(4)	(5)	(6)	
5. <u>Natural resource endowment</u>						
a. high			x			
b. moderate	x	x		x		x
c. low						
6. <u>Nearness to metropolitan area</u>						
a. close	x	x				
b. far			x	x		x
7. <u>Relation to national trans- port and communication network</u>						
a. within	x	x				
b. outside			x	x		x
8. <u>Potential for growth of popu- lation and domestic product</u>						
a. high		x				
b. moderate	x		x	x		x
c. low						
9. <u>Relative unemployment rates</u>						
$\frac{E_r}{E}$						
a. < 1		x				
b. > 1	x		x	x	x	x

Table 1 (continued)

ECONOMIC FEATURES	TYPES OF REGIONS					
	METROPOLITAN REGIONS		NON-METROPOLITAN REGIONS			
	CORE REGIONS (CENTRAL CITY) Distressed	FRINGE REGIONS Prosperous	PROSPEROUS REGIONS (GROWTH CENTRES)	POTENTIAL PROSPEROUS REGIONS (transitional upwards)	POTENTIAL DISTRESSED REGIONS (transitional downwards)	DISTRESSED REGIONS
10. Potential for <u>environmental degradation</u> a. high b. moderate c. low	(1)  x	(2)  x	(3)  x	(4)  x	(5)  x	(6)  x

Notes:

- (i)  $G_r$  = growth rate of regional gross domestic product
- (ii)  $G_n$  = growth rate of gross domestic product
- (iii)  $Y_r$  = regional personal income per head
- (iv)  $Y_n$  = national personal income per head
- (v)  $E_r$  = regional unemployment rate
- (vi)  $E_n$  = national unemployment rate.

The three sub-groupings can be used to illustrate movement towards an equilibrium structure of regions, the transitional regions becoming either prosperous or distressed. If this were to happen there would be only four types of regions - prosperous metropolitan and non-metropolitan, distressed metropolitan and non-metropolitan. In a growing economy, however, this kind of static equilibrium structure will never be attained as other forces of changes will inevitably arise to introduce new sources of disequilibrium. For example, in the metropolitan urban centres there will be a tendency for the inner segments of the initial fringe regions to assume characteristics similar to the core central city regions, creating mixed regions with parts prosperous and parts distressed. Similarly population and industry from the metropolitan fringe regions may spill over into what may have been previously a neighbouring distressed area (where, for instance the industries had been market gardening, poultry and dairying). In other regions an industry which had once been profitable and growing may suffer a recession, thereby changing the region from, say, prosperous to potential distressed. The opposite may occur when new natural resources are discovered in a distressed area.

Interregional disparities are the result of the unequal spatial distribution of natural resources, the unequal distribution of domestic markets, the ways in which transport and communication networks have evolved, and other historical factors which explain the existing distribution of industry, population and cities. These disparities will always exist, but as noted below their existence has been the basis of regional policies pursued by governments to reduce the degree of disparity. In general such policies have not had a great degree of success, mainly because many of the fundamental disparities represent interregional differences with respect to input access and market access, and deficiencies of these kinds are difficult to offset by government action if they are widespread. This is especially so if the aim of policies is to assist a relatively large number of regions; success may be achieved only if assistance is limited to a few regions.

There has also been some debate as to whether the long-run equilibrium movement will be associated with a lessening of interregional disparities, arising from changes in the competitive position of the regions, changes in the profitabilities of industries, decreases in natural factor endowments as resources are used up, and technological developments. Williamson has suggested that while in early stages of economic growth there will be a tendency for interregional disparities to widen, in later stages the tendency will be for disparities to narrow.<sup>6</sup> There is a good deal of evidence to support this convergence hypothesis, but the time taken to produce significant movements may be very long, and the convergence may still be associated with the existence of some poor and backward regions in a developed country.

A final point regarding the regional classification of Table 1 may be made. This is with respect to the problem of environmental degradation. The illustrations in the table show that serious environmental decay is

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<sup>6</sup>J.G. Williamson, "Regional inequality and the process of national development. A description of the patterns", *Economic Development and Cultural Change*, Part II, July 1965.

an existing feature of metropolitan core regions and an increasing problem in the high growth areas. In the past, of course, the existing core regions were the growth centres of the metropolitan area. High economic growth produces both benefits and costs, and the costs may continue to accrue after the benefits of growth have largely disappeared in a particular region.

### 5. The Demarcation of Regions

The preceding section identified two broad approaches to the delimitation of regions, the functional integration approach (complementary or nodal regions) and the homogeneity approach (homogeneous regions). In practice, however, whichever approach is adopted there is likely to be a number of existing constraints which will influence the final determination of regional boundaries. The most important of these constraints is the existence of political boundaries, which in a federation refer to both State and local governments. To a lesser extent a constraint may be imposed by the existence of various kinds of administrative boundaries, such as those which apply to the operations of semi-government instrumentalities, regional authorities and county councils, and Commonwealth and State Government departments.

It has generally been accepted in Australia that planning regions should conform to existing local authority and State boundaries as far as practicable. As will be shown in later chapters, most regional planning initiatives in Australia have emanated from State governments, and the existing set of local governing bodies in a particular State has frequently been a constraint on the demarcation of regions. In a planning sense, therefore, it has been a feature of practice in Australia to define a region as an area smaller than a State but larger than any existing local authority area. In effect this has been taken to imply that regions should consist of amalgamations of local authority areas. This view has a great deal of merit when planning is defined, as in this study, as a function of the public sector. To define planning regions without due cognizance of the significance of political boundaries may be to introduce a source of inefficiency greater than that which would ensue by not completely accepting watershed boundaries as defined previously.

The acceptance that political boundaries should constrain the demarcation of planning and other kinds of regions has been a feature of regionalism in Australia. At the federal level data regions used by the Bureau of Statistics have traditionally conformed, with a few minor exceptions, to local government boundaries. This has also been the case at the State level, where various kinds of regional organisations (either advisory councils or semi-government instrumentalities) have been established. Only in specific and relatively few instances have planning regions crossed State boundaries. The two major cases have been the Snowy Mountains project and the Albury-Wodonga growth centre, both connected with the Murray Valley area.

## 6. Regional Planning Policies Relevant to this Study

A region may be viewed as a series of systems, and the planning objectives may apply to one of these systems in isolation, or to several systems in a more integrated approach. For planning purposes, the most important regional systems are the economic system, the environmental system, the social system, and the political and administrative system. This study of regional planning policies of the New South Wales and Victorian State Governments will be concerned mainly with the first two systems, the regional economic and physical (environmental) systems. In particular the following four kinds of programs will be discussed in detail:

- (a) the regional components of statutory (physical or environmental) planning;
- (b) balanced regional economic development and dispersed decentralisation policy;
- (c) regional growth centres and selective decentralisation policy;
- (d) new cities (system-cities) for metropolitan areas.

The following definitions indicate the meaning of these kinds of programs.

### *Statutory planning*

Basically statutory or physical planning is land-use planning. This kind of planning generally envisages planning at the local level (a function of local government) and at the regional level (a function of a specific-purpose regional authority or of a State government authority). In earlier times statutory planning was mainly concerned with ensuring that incompatible uses of land did not occur as regions or local authority areas developed and grew. This view of planning, based mainly on the zoning approach to land uses, was negative in the sense that it specified what land could not be used for, not what it should be used for. More generally this approach was referred to as town and country planning. In recent times uses of land have been conceived more broadly to include the effects of land uses on the quality of the natural, built and social environments, and statutory planning authorities have tended to be renamed so as to include the term "environment" in their title. Examples of this are the New South Wales Planning and Environment Commission; the Commonwealth Department of Environment, Housing and Community Development; and the United Kingdom Department of the Environment. In contrast the Victorian statutory planning authority is still known as the Town and Country Planning Board.

### *Balanced regional development*

It is possible to identify at least four meanings of the concept of balanced regional economic development.<sup>7</sup> The meanings are not mutually

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<sup>7</sup>See J.L. Fisher, "Concepts in regional economic development", *Papers and Proceedings of the Regional Science Association*, 1955, and C.P. Harris, "The purposes and needs of regional economic development", in *Regional Development*, Royal Institute of Public Administration, Brisbane, 1972.

exclusive, and there is a significant degree of overlap. However, the separate identification of the meanings is useful to indicate the basic philosophy underlying the regional programs,

(i) *Interregional disparities*: Policies are designed to move different strands of economic development in a region towards national averages. This is a kind of catching-up approach with emphasis placed on the below-average regions, the intention being to minimise the degree of regional dispersion about the national average by reducing the extent to which regions below the national average differ from that average.

(ii) *Diversification of regional industry composition*: The policy objective in this case is to produce a more balanced industry structure in the region, particularly to offset an existing situation where a particular industry (e.g., farming, mining, textiles) constitutes too large a proportion of the regional economy, or where the industry structure contains too great a proportion of declining industries or industries subject to wide variations in unemployment.

(iii) *Dynamic regional equilibrium adjustment*: In this sense the policy measures are designed to ensure a continual process of adjustment to changes in a region's competitive relations with other regions, following changes in technology, the introduction of new products, changes in the growth of markets for particular products, or the depletion of an important non-renewable natural resource. The problem is therefore one of long-run regional disequilibrium. This aspect was discussed above, where Williamson's contention was noted that these kinds of changes are a normal outcome of economic growth and a cause of the convergence of interregional disparities. However, the opposite kinds of changes may also occur, prosperous regions becoming potentially distressed, or distressed regions even more distressed. When policy measures are primarily concerned with the emergence of regional distress as a result of economic change over time, it has been suggested that the government is pursuing a spatial distribution policy (Place Prosperity) similar to its personal distribution policy (People Prosperity).<sup>8</sup>

(iv) *Balance of regional economic objectives*: This fourth concept of balanced development implies that policy measures are designed to achieve some kind of balance or desired combination among a number of separate goals, such as the goals relevant to economic growth, economic stability, social equity, and environmental quality. These goals may not all be compatible and their joint pursuance raises the difficulty of reconciliation in a multi-values choice situation.

Of the four concepts of balanced development defined above, most regional economic planning policies tend to conform to the first and second concepts. Sometimes the application of these policies assumes a lower profile in which regional development programs are seen as applying equally

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<sup>8</sup>L. Winnick, "Place prosperity vs. people prosperity: welfare considerations in the geographic distribution of economic activity", in *Essays in Urban Land Economics*, University of California, Los Angeles, 1966; and M. Von N. Whitman, "Place prosperity and people prosperity: the delineation of optimum policy areas", in M. Perlman, C. Leven and B. Chinitz (eds.), *Spatial, Regional and Population Economics*, Gordon & Breach, New York, 1972.

or without discrimination to all regions. In this case the policy is more properly defined as a policy of national development with a regional dimension rather than as one of regional development, since the prime policy goal is to promote development irrespective of the region in which development occurs. This view corresponds fairly closely with dispersed regional decentralisation policy.

### *Regional growth centres*

A regional growth centre is defined as an area of significant potential for economic growth which is located relatively distant from the existing metropolitan regions. Policy measures are based on potential for growth not on the existence of disparities in income levels, past rates of growth or industry composition. Decentralisation policy in this instance is selective. In many cases a growth centres approach may conflict with a balanced development approach, in that the growth centres may be located in regions above the national average for relevant economic and social indicators. In this case growth centre policies will produce unbalanced growth, widening existing interregional disparities. In a national context unbalanced growth may sometimes be preferable to balanced development.

### *System-Cities*

System-cities are defined as new towns planned and built to accommodate the increasing population growth of metropolitan regions. Metropolitan regions may be classified as regions of natural growth, so that policy measures are not designed to promote growth but to facilitate that growth and to offset any social disabilities arising from sustained population increases. In this form of policy emphasis is placed on achieving a balance between social, economic and physical factors rather than simply on environmental elements.

## **7. Outline of Subsequent Chapters**

This study is concerned with an analysis of regional planning by the New South Wales and Victorian Governments in the period since 1944, where regional planning is concerned with the four kinds of programs listed above - regional components of statutory environmental planning, balanced regional economic development, regional growth centres, and metropolitan system-cities. However, the analysis will also be concerned with Commonwealth Government policies in this field of activity, because in some cases they affected the State policies. Also the major effects of Commonwealth Government programs have tended to occur in New South Wales and Victoria.

The first part of the study examines regional planning in the post-war period in two sub-periods, 1944 to 1963, and 1964 to 1977. The selection of the years 1963 and 1964 for dividing the period is based on the emergence in the first half of the 1960s of renewed State and Commonwealth Government interest in regional planning. For example, the New South Wales Government established the State Planning Authority in 1963 and in 1965 upgraded the Division of Industrial Development to departmental status - Department of Decentralisation and Development. In 1964 the Victorian

Government established a Decentralisation Advisory Committee, and in the same year the Premiers' Conference agreed to form a Committee of Commonwealth and State Officials to investigate decentralisation in Australia.

The second part of the study is concerned with a detailed analysis of the major non-metropolitan regional planning project undertaken in this period, the Albury-Wodonga Growth Centre. This project is unique in that it represents a combined approach involving the Commonwealth Government and the State Governments of New South Wales and Victoria. The analysis will be concerned with a review of the events that led to the creation of the growth centre, its organisational structure and financial arrangements, the creation of the Albury-Wodonga Development Corporation, and general developments in the area from 1973 to 1977.

## II REGIONAL PLANNING 1944 TO 1963

### I. Conferences of Commonwealth and State Governments 1944 to 1947

During the Second World War attention was given by the Commonwealth Government to the problem of regional planning and development, not only because of the emergencies which the war had created, but also because it was realised that Australia would be faced in the post-war years with the responsibility of developing its unused resources and planning for full employment and the general welfare of the Australian people. In considering regional planning as a method of development, the Commonwealth Government believed that it was only through the detailed analysis of resources and the specification of long-run plans for their exploitation that the best use could be made of those resources.

In line with these views, the Commonwealth Prime Minister (John Curtin) communicated with the State Premiers in October 1943, drawing their attention to a tendency for local authorities to associate themselves with regional organisations to advance proposals for the development of their areas. He also expressed the view that regional organisations might be found useful after the war in advising State and Commonwealth Governments regarding the effective development of resources in particular areas, the co-ordination of administrative services at the local level, and outstanding regional problems which would need the attention of the State and Commonwealth authorities. He said it was desirable that the work of regional bodies should be co-ordinated, and while State Governments would be most immediately concerned with this co-ordination, it would be desirable that the Commonwealth Government had a direct link with their activities. He suggested therefore that the matter should be reviewed at a conference of officials of the State and Commonwealth Departments principally concerned.

In March 1944 a conference was held in Canberra at which aspects of post-war development were dealt with, and the function and scope of regional planning discussed. More specifically, the conference considered the powers and functions of Regional Development Committees and possible areas of conflict between those Committees and local authorities. At the conclusion of the conference an agenda was drawn up for a future Premiers' Conference at which the need for regional planning, regional organisation, and Commonwealth/State participation would be discussed.

The Premiers' Conference was held in October 1944. The Federal Prime Minister, John Curtin, supported the concept of regional planning, particularly with relation to the development of resources, the growth of population, the need for defence and security, decentralisation of population and economic activity, and the correspondence between available water supplies and population concentration. The conference resolved that all States should define regions for the purposes of development and decentralisation, and endeavour as far as possible to adjust progressively their administrative districts to

correspond with the defined regions. Post-war projects for development and decentralisation of industry and administration proposed by the Commonwealth and State Governments were to be classified according to their regional distribution, and representative regional advisory bodies formed to advise and assist governments on regional aspects of development and administration. Where necessary comprehensive surveys of regional resources were to be carried out.

A conference of Commonwealth and State officers was held in Canberra in April 1945 to review the progress being made in the move towards regional planning. Matters discussed included relationships between Regional Advisory Committees and local authorities, the regional distribution of public works, and resources surveys. Four months later another conference of Commonwealth and State Ministers was held to consider a progress report on regional planning. This conference agreed that all governments should proceed to classify post-war projects for development and decentralisation on a regional basis, and that the Commonwealth and States should exchange information about regional resources on a regular basis through nominated authorities.

Following the August Premiers' Conference a conference of government statisticians was held, at which the need to adjust the existing set of statistical divisions to the regions that were to be delimited in all States was considered. However, while the statisticians agreed that they would meet all requests for information on any new regional basis, they decided to maintain continuity and retain statistics then published on the basis of the existing statistical divisions. In this regard the statisticians agreed, however, to confer with State authorities with a view to minimising discrepancies between the boundaries of statistical divisions and any proposed set of regions.

Two years later, in September 1947, the last of this long series of conferences on regional planning and development was held. By this time the enthusiasm of some of the States was waning, and Queensland was not represented at the conference. The conference agreed to publish a report on regional planning in Australia,<sup>1</sup> to establish a committee to determine the major statistics required to implement regional planning, and to standardise land use surveys.

Each State government in due course carried out the recommendation to divide the State into regions. In all 97 regions were delimited in the six States and the Northern Territory. However, Regional Development Committees were established in only three States - New South Wales, Victoria and Tasmania - although Western Australia used its Road District Councils for a similar purpose. No regional planning authority was established in Queensland.

Not long afterwards the Labor Party lost office in Canberra,

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<sup>1</sup>*Regional Planning in Australia*, Issued by the Commonwealth Department of Post-War Reconstruction, in conjunction with State Departments responsible for Regional Planning in each State, Canberra, 1949.

and the new Liberal-Country Party Government under R. G. Menzies decided not to proceed with an integrated Commonwealth/States approach to regional planning and development. With the withdrawal of the Commonwealth Government regional planning was left to the initiatives, if any, of the individual State Governments.

## 2. New South Wales

### (a) *Decentralisation and regional development*

Following the October 1943 communication from the Commonwealth Prime Minister to the State Premiers (see above) the New South Wales Government appointed a Regional Boundaries Committee in December 1943, and in March 1944 this Committee recommended that the State be divided into 17 regions, with no regions being recommended for the Western Division of that State, which at that time was not incorporated into local government areas. The recommendations of the Committee were accepted but subsequently the Government decided to include the Western Division of the State in the regional structure, and added three more regions from that Division to make a total of 20. The regions were formed by the amalgamation of local authority areas, except in the Western Division where local government did not exist at that time, although subsequently local government was gradually extended to these areas. As Table 2 shows, the regions ranged in area from 4500 square kilometres to 128,000 square kilometres, and in population from 8000 to nearly 1.8 million persons. The location of the regions is shown in Figure 1.

The basic purpose underlying this regional planning approach was the development of regional resources with the dual aim of raising the rate of State growth and achieving some kind of balanced regional development. In each region a Regional Development Committee was to be formed comprising 12 members, six from local government, three or four from officers of State Government departments placed in the region, and the remainder from private representatives. The functions of these Committees were to prepare development schemes for the region, and in so doing to undertake reviews of regional resources, indicate the kinds of services that would be required to develop those resources most effectively, and estimate the population that the region might support. Within a fairly short period Committees were appointed in 19 of the 20 regions. In the first instance the surveys of regional resources were instituted not by the Regional Development Committees but by the Division of Reconstruction and Development, which was part of the New South Wales Premier's Department.

At the same time State Government Departments were requested to make their regional administration divisions conform as near as possible to the new set of regions. The State Co-ordinator of Works used the regions in drawing up public works programs, the Department of Main Roads reviewed the State's main roads system on a regional basis, and some of the regions were accepted for administrative purposes by the Department of Education.

Table 2. NEW SOUTH WALES REGIONS. 1947.

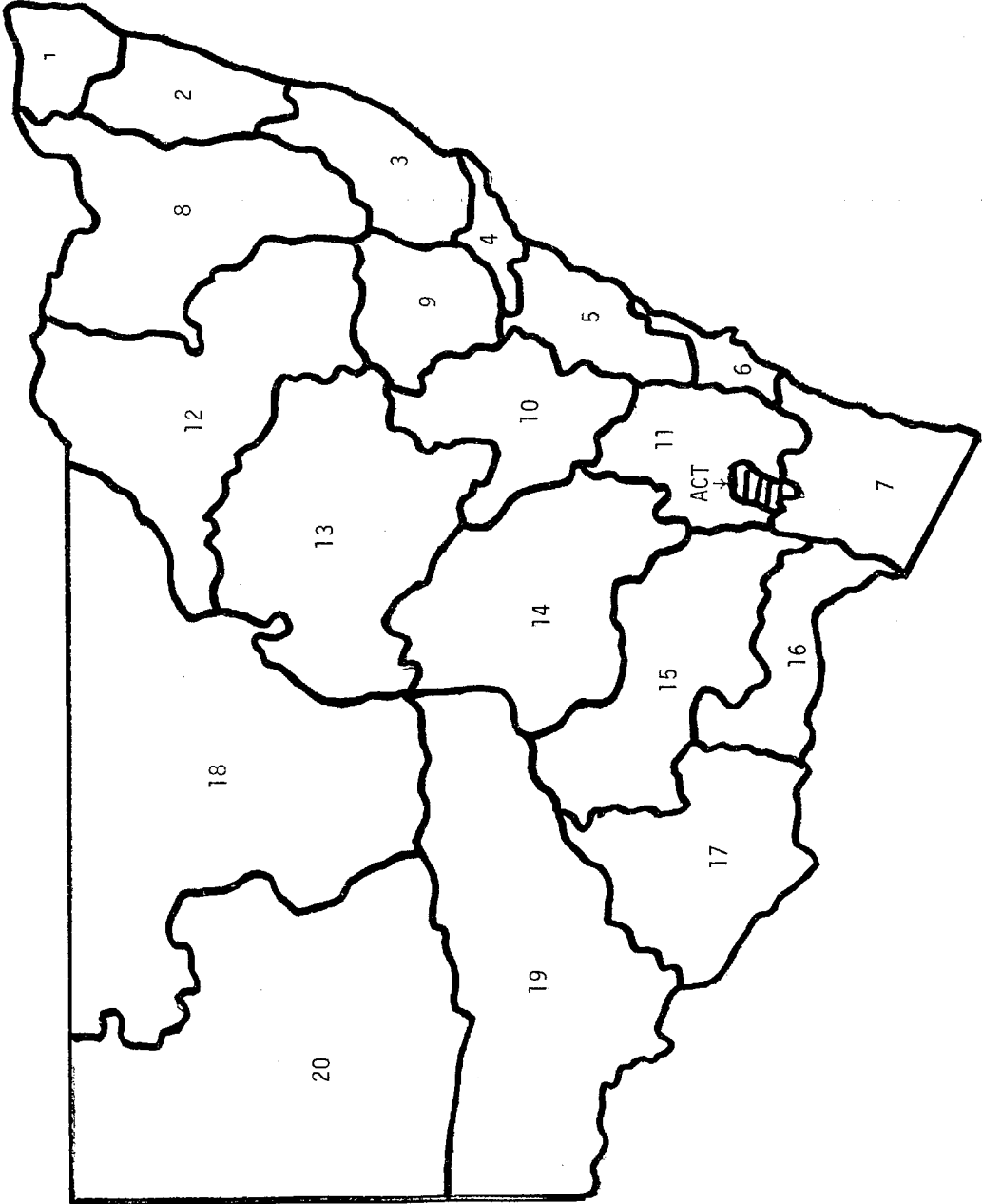
REGION	AREA ,000 km <sup>2</sup>	POPULATION 1947 ,000	PRINCIPAL TOWNS	NUMBER OF LOCAL GOVERNMENT AREAS (1947)
1. Richmond-Tweed	9.5	89.8	Lismore	13
2. Clarence	15.1	54.5	Grafton, Coffs Harbour	11
3. Oxley	19.2	65.9	Taree, Kempsey	11
4. Newcastle	4.5	239.6	Newcastle, Cessnock, Maitland	7
5. Sydney	15.6	1773.0	Sydney	82
6. Illawarra	5.8	82.8	Wollongong	10
7. Monaro-South Coast	24.3	28.3	Cooma, Bega	9
8. New England	48.0	63.8	Armidale, Glen Innes, Inverell	16
9. Upper Hunter	17.8	29.2	Muswellbrook, Singleton	9
10. Mitchell	25.6	93.6	Orange, Bathurst	15
11. Southern Tablelands	20.5	47.2	Goulburn	9
12. Namoi	61.8	69.8	Tamworth, Moree	18
13. Macquarie	63.0	55.6	Dubbo	17
14. Lachlan	50.0	77.1	Parkes, Forbes, Cowra	18
15. Murrumbidgee	43.0	98.3	Wagga Wagga	19
16. Upper Murray	16.1	36.7	Albury	8
17. Central Murray	36.0	21.0	Deniliquin, Hay	10
18. Upper Darling	128.0	11.7	Bourke, Cobar	3
19. Murray-Darling	84.6	8.5	Wentworth	2
20. Central Darling	112.5	31.0	Broken Hill	2

Source: *Regional Planning in Australia*, Canberra 1949, p. 46.

Figure 1.

NEW SOUTH WALES  
REGIONS

1. Richmond Tweed
2. Clarence
3. Oxley
4. Newcastle
5. Sydney
6. Illawarra
7. Monaro & South Coast
8. New England
9. Upper Hunter
10. Mitchell
11. Southern Tablelands
12. Namoi
13. Macquarie
14. Lachlan
15. Murrumbidgee
16. Upper Murray
17. Central Murray
18. Upper Darling
19. Murray Darling
20. Central Darling



However, the success of the regional development approach based on the creation of Regional Development Committees was very limited. To some extent this might have been due to the withdrawal of the Commonwealth Government from the scheme in 1949, but to a large extent it was also due to the lack of expertise and resources available to the Committees. This latter deficiency reflected the unwillingness of the State Government to institute a positive and effective regional development policy. The Committees have been described as "*ad hoc* groups with part-time secretaries",<sup>2</sup> and it has been said that in most cases the decentralisation policy amounted to little more than "assisting manufacturing employment and providing housing in country towns in response to any opportunity that offered".<sup>3</sup>

(b) *Physical planning*

The first real town planning legislation in New South Wales was contained in the Local Government Act, 1919, and from that year to 1945 physical planning remained largely a local authority function subject to approval by the State Government. In 1945 the Local Government (Town and Country Planning) Amendment Act provided for a more co-ordinated system of town planning. Under this new system municipal shires, either as individual units or as groups, could undertake the preparation of plans, and were required to do so if directed by the Minister for Local Government. The Act also established a Town and Country Planning Advisory Committee to advise the Minister and assist the councils. The major regional developments from this new legislation were the creation of the Cumberland County Council, the Northumberland County Council and three joint committees which were responsible for general town planning schemes covering the municipalities and shires included in these regional areas. The three joint committees were: Illawarra Planning Authority (City of Greater Wollongong, Municipality of Shellharbour), Singleton-Patrick Plains Planning Authority, and Gunnedah-Liverpool Plains Planning Authority.

It soon became apparent that the procedures laid down in the 1945 Act, particularly those regarding the initiation of planning schemes, display of plans, methods of considering objections, and the requirement for the council to appoint a planning committee which contained non-council members, were "unduly cumbersome. On the average, ten years were being taken from initiation to the prescription of a planning scheme".<sup>4</sup> A Departmental Committee was therefore set up to examine these procedures, and in 1958 it submitted a preliminary report suggesting changes, and these were basically

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<sup>2</sup>Department of Decentralisation and Development, *Annual Report 1974-1975*, p. 23.

<sup>3</sup>P. Harrison, "Urban planning", in R. Forward (ed.), *Public Policy in Australia*, Cheshire, Melbourne, 1974, p. 150.

<sup>4</sup>New South Wales Planning and Environment Commission, *Report to the Minister for Planning and Environment*, Sydney, 1975, p. 28.

incorporated into the Local Government (Town and Country Planning) Amendment Act, 1962. This Act revised the procedures for the preparation of planning schemes, and in particular it provided that a council could begin to prepare a planning scheme merely by passing a resolution and informing the Minister. The Minister would then advise the council of the various maps, specifications and other particulars that were to be prepared. The new Act also abolished the provision that the council was to establish a planning committee containing some non-council members.

At the same time views had emerged that environmental planning should be a more co-ordinated process, particularly at the regional level, and that a central authority was required to perform this co-ordination function. In 1961 the Town and Country Planning Advisory Committee recommended that a statutory central planning and development authority should be established at the State level. The Committee also believed that certain matters could only be planned by a regional planning organisation, such as "the planning of the routes of County roads, the location of major public utilities, the selection of sites for satellite cities, the control of metropolitan sprawl, and the reservation of large recreation areas".<sup>5</sup>

Subsequently the State Planning Authority Act, 1963 provided for the formation of the State Planning Authority, and for the constitution of regional planning districts and regional planning committees. The features of this Act will be discussed in Chapter III.

### 3. Victoria

#### (a) *Decentralisation and regional development*

As early as 1918 the Victorian Government appointed a select committee to report on the drift of population from country districts. The report of this Committee recommended such policies as the building up of secondary industry in country towns, greater exploitation of natural resources, improved transport facilities to country areas, and better educational opportunities for country residents.<sup>6</sup> However, very little action was taken on the recommendations of this Report.

In 1942 the Victorian Government established the Victorian Industries Location Committee following a meeting of Commonwealth and State Authorities which considered the need, because of the war, to move essential industry from the metropolitan region to safer

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<sup>5</sup>*ibid.*, p. 31.

<sup>6</sup>*Report of the Select Committee upon the Causes of the Drift of Population from Country Districts to the City, Melbourne, December 1918.*

areas. In the following year this Committee was replaced by a State Decentralisation Committee whose function was to encourage and assist secondary industries to locate in decentralised locations, thereby providing improved employment opportunities for country people, and a decentralisation fund to supply financial assistance to country industries was set up in 1944. This Committee was disbanded in 1949, and was replaced in the following year by the Regional Planning and Decentralisation Division which was part of the Premier's Department. This Division was formed by a merger of the staff of the Decentralisation Committee and the Latrobe Valley Development Advisory Committee which had been established previously to co-ordinate development in the Morwell and Yallourn Areas.

These changes in the late 1940s were part of the developments that followed the conferences of Commonwealth and State officials described above in Section 1. In April 1944 the Victorian Government appointed a State Regional Boundaries Committee to make recommendations on delimiting regions in Victoria. In its Report submitted later that year the Committee recommended that the State be divided into 13 regions, which, as in New South Wales, conformed to local authority boundaries. Details of the regions are given in Table 3 and Figure 2. The Victorian regions ranged in area from 5000 square kilometres to 37,000 square kilometres and populations ranged from 33,000 to over 1.3 million.<sup>7</sup>

To provide for the co-ordination of regional planning in Victoria the Government established a Central Planning Authority in 1946 with membership from appropriate State Government departments and the Town and Country Planning Board. The main functions of the Central Planning Authority were to arrange for the establishment of Regional Committees, to assist these Committees in carrying out resources surveys, and to co-ordinate the work of the Committees with the work of other planning bodies. The Regional Committee was to consist of 12 representatives, six of whom were to be elected by the municipal councils in the region. The functions of the Committees were basically the same as those of the New South Wales Regional Development Committees - investigation of the potential to develop regional resources, examination of ways in which public services in the region could be co-ordinated, and advice on major regional problems. Twelve Regional Committees were constituted, one for each region except Port Phillip (Melbourne), where the Melbourne and Metropolitan Board of Works was authorised to prepare a comprehensive plan for the metropolitan area.

In 1950 the State Government appointed a Director of Decentralised Industries Development, but this position was discontinued

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<sup>7</sup>An interesting difference between the metropolitan region in New South Wales (Sydney region) and in Victoria (Port Phillip region) is that the former contained nearly 4 times as many local authority areas (82 and 21 respectively) while the regional populations were not greatly different (nearly 1.8 million in New South Wales and over 1.3 million in Victoria).

Table 3. VICTORIAN REGIONS. 1947.

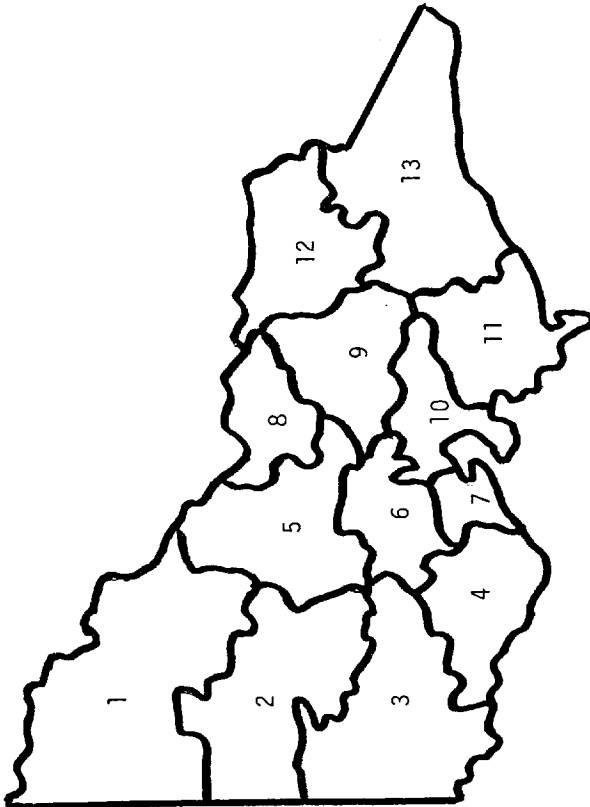
REGION	AREA ,000 km <sup>2</sup>	POPULATION 1947 ,000	PRINCIPAL TOWNS	NUMBER OF LOCAL GOVERNMENT AREAS
1. Barwon	4.9	70.7	Geelong, Queenscliff	11
2. Central Highlands	12.4	104.3	Ballarat, Castlemaine, Maryborough, Daylesford, Kyneton	25
3. Corangamite	13.3	62.8	Warrnambool, Colac, Camperdown, Terang, Pt. Fairy	12
4. East Gippsland	29.8	35.9	Sale, Bairnsdale, Maffra	8
5. West Gippsland	13.6	90.9	Wonthaggi, Traralgon, Warragul, Morwell, Yallourn	15
6. Glenelg	23.4	45.7	Ararat, Hamilton, Portland	10
7. Goulburn	10.3	51.9	Echuca	9
8. Loddon	18.3	71.8	Bendigo, St. Arnaud	16
9. Mallee	37.3	52.8	Mildura, Swan Hill	8
10. Port Phillip	8.4	1344.5	Melbourne	21
11. Upper Goulburn	15.0	33.1	Seymour, Benalla	11
12. Upper Murray	17.9	43.8	Wangaratta, Beechworth, Wodonga	12
13. Wimmera	22.9	42.8	Horsham, Stawell, Warracknabeal, Dimboola	11

Source: As for Table 2.

Figure 2.

## VICTORIAN REGIONS

1. Mallee
2. Wimmera
3. Glenelg
4. Corangamite
5. Loddon
6. Central Highlands
7. Barwon
8. Goulburn
9. Upper Goulburn
10. Port Phillip
11. West Gippsland
12. Upper Murray
13. East Gippsland



in 1954 when a Decentralisation Advisory Panel was appointed to review matters connected with the establishment and operation of secondary industries in country regions. At the same time a Joint Committee on Freight Subsidies for Decentralised Industry was set up with the purpose of investigating the disability under which country industries operated and of making recommendations on how the competitive position of country industries could be improved.

Apart from the financial assistance available from the decentralisation fund, the Regional Planning and Decentralisation Division was also empowered under the *Land Act* 1958 to make Crown lands available for industrial establishments and in some cases for associated housing requirements. In this early period the Division particularly concentrated on attracting industry to country areas such as Ballarat and Bendigo. In 1959 the Regional Planning and Decentralisation Division was redesignated the Division of State Development.

(b) *Physical planning*

With respect to town (physical or land-use) planning, the first formal resolution in Victoria on planning matters is attributed to the Melbourne City Council in July 1920. Following that resolution a meeting of 21 municipalities was held in Melbourne and this led to the formation of a committee to report on the need for town planning. In 1921 this committee recommended that a planning commission be established consisting of five members appointed from the municipalities in the region and four members with appropriate professional or technical expertise. In 1922 an Act was passed to establish an honorary Metropolitan Town Planning Commission financed by contributions from metropolitan municipalities, the Melbourne and Metropolitan Board of Works, and some State Government Departments and Boards. It was not until 1929 that the Commission submitted a report dealing with such aspects as zoning, transportation, recreation facilities, building regulations, and legislation for implementing metropolitan planning schemes.

The emergence of the Great Depression after the submission of this report, followed by the Second World War, delayed any action of the recommendations of the Commission. It was not until the end of 1944 that town planning legislation was enacted which led to the establishment of the Town and Country Planning Board in 1946. This Board was given administrative authority over all municipal town planning schemes and was to report on planning matters to the Minister. As noted previously the Melbourne and Metropolitan Board of Works was given the function in 1946 of preparing a comprehensive plan for the metropolitan area; its work in this area is outlined in such documents as the Melbourne Metropolitan Planning Scheme Report (1954) and Planning Policies for the Melbourne Metropolitan Region (1971).

### III DECENTRALISATION AND REGIONAL DEVELOPMENT POLICIES IN NEW SOUTH WALES SINCE 1964

Decentralisation policy in New South Wales is administered by the Department of Decentralisation and Development through the State Development and Country Industries Assistance Act. The Department had its origins in 1958 when two sections of the Premier's Department - the Secondary Industries Division and the Regional Planning Section - were combined to form the Division of Industrial Development. In 1963 this Division became a Department within the Treasury and in 1965 it came under a separate ministry and assumed its present name. In 1966 the State Development and Country Industries Assistance Act was passed under which the Minister for Decentralisation and Development was empowered to provide various types of assistance to industries wishing to locate or expand their operations in country centres. Two other Acts, the State Planning Authority of New South Wales Act, 1963 and the Regional Organisation Act, 1972, also relate to the State's policy of decentralisation and regional development planning. The first Act, which established the State Planning Authority, is more concerned with environmental and land use planning than with decentralisation programs. The provisions of this Act will be discussed in Chapter V. The Regional Organisation Act is examined in Section 3 of this chapter.

#### I. The State Development and Country Industries Assistance Act, 1966

In 1965 a newly elected State government created a Department of Decentralisation and Development with a separate Ministry, and in the following year the State Development and Country Industries Assistance Act was passed.

This new Act implemented a more positive policy of general or dispersed decentralisation, and changed the emphasis of public debate from the question of the desirability of decentralisation as a policy objective to the question of what form decentralisation should take. The Act was titled: "An Act to constitute a Development Corporation and to confer on it certain powers and functions; to constitute the Minister administering this Act a corporation sole and to confer on the corporation sole certain powers relating to the establishment, expansion and development of country industries and to the acquisition of land for certain other industries". In particular, the Act provided for the establishment of a Country Industries Assistance Fund; the vesting of the Minister with the necessary powers to encourage and assist the establishment and expansion of country industries; powers allowing local government councils to participate in stimulating industrial development and expansion within their areas; and the constitution and operations of the Development Corporation of New South Wales.

The State Development and Country Industries Assistance Act, and its subsequent amendments, provided a fairly comprehensive

assistance program for industries in decentralised (country) areas. For this purpose there was no specified discrimination in favour of any individual country centre regarded as possessing the greatest potential for development; rather the Act embodied the philosophy of dispersed decentralisation. Thus a country industry was defined as "any activity undertaken within New South Wales outside the County of Cumberland and the Cities of Newcastle and Wollongong for the purpose of manufacturing, processing, or distributing by wholesale any goods; for the purpose of promoting or developing facilities for tourists; or a purpose approved by the Minister".<sup>1</sup> Within these objectives applications for assistance were to be assessed on their individual merits, applying the following criteria: commercial viability at the proposed location, direct and indirect employment opportunities generated, other economic benefits to the local regional communities and to existing industries, potential in attracting additional industries to the region, and the contribution to technological advancement within the region.

Table 4 shows the breakdown of expenditure from the Country Industries Assistance Fund (CIAF) over the period 1965-66 to 1975-76. Over this period total expenditure rose steadily from \$1.7 million in the initial year to \$5.7 million in 1970-71, then remained relatively constant until 1973-74 when it rose to \$10.1 million and to \$14.3 million in the following year. However, expenditure in 1975-76 was less than one-half the level of the preceding year, a decline which was due to the combined impact of inflation and the economic recession on the decentralisation plans of companies. "Many of them had to postpone or cancel their plans for relocation as they battled for survival in the face of rapidly escalating costs and a flood of competitive imports".<sup>2</sup>

Among the various types of assistance provided, programs concerned with factory loans and leases, general loans, and housing loans account for most of the expenditure. Freight subsidies, which were relatively important up to 1973, have declined in significance in recent years. The large decrease in total expenditure in 1975-76 was particularly associated with a fall in assistance in the form of factory loans, leases and general loans, expenditure on which decreased from \$8.3 million in 1974-75 to \$2.8 million in 1975-76. Housing loans over the same period also declined from \$3.7 million to \$1.8 million.

The features of the main assistance programs provided under the Country Industries Assistance Act are described below.

(i) *Factory loans, leases and general loans.* This item refers to assistance to country industries in the form of loans for the purchase of land and/or factory buildings, although factory premises may also

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<sup>1</sup>Department of Decentralisation and Development, *Policy and Work*, Sydney, 1974.

<sup>2</sup>Department of Decentralisation and Development, *Annual Report 1975-1976*, p. 3.

Table 4. EXPENDITURE FROM COUNTRY INDUSTRIES ASSISTANCE FUND. 1965-66 to 1975-76.

Kind of Assistance	Year ended 30 June											TOTAL 1965-66 to 1975-76.	
	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976		
	1. Amount \$'000												
factory loans, leases and general loans housing loans industrial land purchase and development freight subsidies grants and other subsidies 5% preference miscellaneous TOTAL	605	2259	1301	2091	2693	3709	2761	1983	6262	8321	2824	34807	
	645	303	662	909	1521	823	1266	1679	2625	3712	1780	15926	
	-	-	-	83	68	305	367	167	109	218	147	1465	
	413	454	431	515	538	619	711	716	654	510	486	6046	
	40	20	15	50	64	60	97	224	151	1096	831	2647	
	-	-	-	-	-	2	10	(..)	(..)	(..)	-	13	
	11	27	77	115	180	222	289	347	299	376	629	2572	
	1715	3062	2485	3762	5064	5740	5501	5117	10102	14233	6697	63476	
	factory loans, leases and general loans housing loans industrial land purchase and development freight subsidies grants and other subsidies 5% preference miscellaneous TOTAL	35.3	73.8	52.4	55.6	53.2	64.6	50.2	38.8	62.0	58.5	42.2	54.8
		37.6	9.9	26.6	24.2	30.0	14.3	23.0	32.8	26.0	26.1	26.6	25.1
-		-	-	2.2	1.4	5.3	6.7	3.3	1.1	1.5	2.2	2.3	
24.1		14.8	17.3	13.7	10.6	10.8	12.9	14.0	6.5	3.6	7.3	9.5	
2.4		0.7	0.6	1.3	1.3	1.0	1.8	4.4	1.5	7.7	12.4	4.2	
-		-	-	-	-	(..)	0.2	(..)	(..)	(..)	(..)	(..)	
0.7		0.9	3.1	3.1	3.5	3.9	5.3	6.8	3.0	2.6	9.4	4.1	
100.0		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
2. Proportion of Total %													

Note: The symbol (..) signifies either an amount smaller than \$500 or a proportion smaller than 0.05 per cent.

Source: Department of Decentralisation and Development, *Annual Report 1975-1976*, p. 39.

be provided by the Department under lease agreements. Finance for plant and machinery may be considered under special circumstances, and guarantees may be given against loans raised by the firm from non-government sources for the erection of factory buildings or the purchase of plant. In general the finance is provided through the CIAF for longer periods and at lower interest rates than for loans from the banking system. Finance is available through the CIAF only when it cannot be obtained through normal borrowing channels.

Incentives are also given for manufacturing and processing industries in Cessnock, Maitland, Lithgow, Broken Hill and the Far North Coast, where the Department of Decentralisation and Development may provide loans up to 100 per cent of the cost of land and factory buildings. Declining employment in coal and silver-lead mining industries and the difficulties facing the dairying industry on the Far North Coast were the basic reasons underlying the introduction of the 100 per cent assistance program. However, it was the Department's view that maximum assistance might be directed more effectively towards inducing existing metropolitan industries to relocate in country areas. The basic philosophy underlying the assistance was rather to relieve the pressures on the metropolis than to support declining industries in country areas.

Manufacturing industries in centres other than those mentioned above may receive assistance to a maximum of 90 per cent of the finance required. The funds are generally lent jointly by the Department of Decentralisation and Development and the relevant local council, in the ratio of two to one.

Assistance similar to that provided for manufacturing and processing industries is also given to wholesale distribution activities, while for tourism loans up to 60 per cent of the capital cost of land, buildings and improvements are available through the Department. Loan guarantees are also provided.

(ii) *Housing loans.* This item covers the provision of loans to enable the employer to erect new houses or acquire existing houses for rental or purchase by key personnel. Alternatively arrangements can be made with the Housing Commission to build houses with funds from the CIAF, for allocation to nominated key employees on a normal rental basis.

(iii) *Industrial land.* During 1969 the Department began to acquire and develop industrial real estate. The scheme, which is directed at high growth rate areas, is designed to ensure the continued availability of serviced land for industry and to provide some measure of control in respect of industrial land prices. It provides for joint contributions by the Department and the country local authority towards acquisition and development costs. The land is sold with long term finance available to eligible industries.

(iv) *Freight subsidies.* The Public Transport Commission has established a number of concessional rates for goods consigned by rail to and from country centres, but these can be further supplemented through the subsidisation of freight costs from the CIAF.

(v) *Other subsidies.* The Department also provides a number of other subsidies for such elements as the training of unskilled labour; establishment costs; costs of technical consultant services; the cost of the transport of machinery, equipment and stock from the coastal metropolitan area to the country location; the cost of transporting employees to place of work; the cost of transferring staff and their personal effects from the metropolitan area to the country location; and the construction of access roads to the industrial site.

(vi) *Five per cent preference.* This scheme came into operation on 1 July 1970, and provides for eligible country manufacturers to be granted a preference margin up to five per cent when tendering for the supply of goods to Government Departments and Authorities in competition with city manufacturers.

(vii) *Miscellaneous items.* In an attempt to overcome the relative isolation of country manufacturers from sources of guidance, advice and consultation available in the city, the Department instituted a series of Management Education Programs for Industry in Country Centres. It also commissioned a firm of architects to design a number of small factory buildings which were to serve as a guide to small firms, not only in the presentation of an aesthetically pleasing exterior to the factory, but also in the identification of structural requirements and planning of the efficient movements of inputs and outputs. In line with these programs the Department provides the services of an industrial designer who visits country centres and gives instruction on the principles of good design. The expenditure under this item is of a general rather than a regional nature.

In the 11-year period 1965-66 to 1975-76 \$60.9 million of expenditure was allocated to regions and \$2.6 million was of a non-regional or administrative nature.

Table 5 gives details of expenditure from the Country Industries Assistance Fund on a regional and industry group basis. Part I shows expenditure by regions, the locations of which are shown below in Section 3 Figure 3. The regional assistance is classified by three types - (i) factories and general loans, leases, and industrial land; (ii) housing; and (iii) freight subsidies, grants and other subsidies. Details are given for the latest year 1975-76 and for the 11-year period 1965-66 to 1975-76. Over the entire period nearly one-quarter of the total assistance was given to the Central Western Region which is based on Bathurst-Orange; 17 per cent to the North Coast Region based on Grafton and Coffs Harbour; 12 per cent to the Riverina Region based on Wagga Wagga; and 10 per cent to the Murray Region based on Albury. However, just over 22 per cent of the total assistance went to the Metropolitan Region which stretches from Newcastle to Wollongong, and includes the Hunter and Illawarra Sub-Regions and the Sydney Metropolitan Area. Over the 11-year period 60 per cent of the assistance was provided for factories and land; 26 per cent for housing; and 14 per cent for freight and other subsidies.

Part II of Table 5 gives details on the kinds of industries to

Table 3. COUNTRY INDUSTRIES ASSISTANCE FUND.  
Part I. Expenditure by regions 1975-76 and 11 year period 1965-66 to 1975-76.

Region or Sub-Region	Kind of Assistance						TOTAL
	Factory and general loans, leases and industrial land		Housing		Freight subsidies, grants and other subsidies		
	1975-6	1966-76	1975-6	1966-76	1975-6	1966-76	
			1. Amount \$000				
North Coast	345	7183	380	2159	408	1138	10481
New England	10	961	86	746	10	440	2146
Orana	89	662	142	1165	16	73	1900
Far Western	-	9	-	-	-	16	25
Murray	174	4058	111	1681	(..)	318	6057
Riverina	900	4075	239	2187	110	1208	7470
Central Western	579	6858	463	3822	691	4200	14880
South Eastern	12	1608	191	2398	4	303	4310
Hunter	58	3204	25	687	12	96	4202
Illawarra	357	3006	88	562	42	587	4155
Sydney and Outer Sydney	447	4649	55	519	3	65	5233
TOTAL	2970	36272	1780	15926	1297	8660	6048
			2. Proportion of Total %				
North Coast	11.6	19.8	21.4	13.6	31.4	13.1	18.7
New England	0.3	2.6	4.8	4.7	0.8	5.1	1.7
Orana	3.0	1.8	8.0	7.3	1.2	0.8	4.1
Far Western	-	(..)	-	-	-	0.2	(..)
Murray	5.9	11.2	6.2	10.6	(..)	3.7	4.7
Riverina	30.3	11.2	13.4	13.7	8.5	13.9	20.7
Central Western	19.5	18.9	26.0	24.0	53.3	48.5	28.7
South Eastern	0.4	4.4	10.7	15.1	0.3	3.5	3.4
Hunter	2.0	8.8	1.4	4.3	0.9	3.6	1.6
Illawarra	12.0	8.3	4.9	3.5	3.3	6.8	8.1
Sydney and Outer Sydney	15.0	12.8	3.1	3.3	0.3	0.7	8.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: (1) The areas to receive assistance in the Sydney and Outer Sydney Divisions were mainly the City of Blue Mountains and the Shires of Wollondilly, Colo, Gosford and Wyong. (2) Some assistance provided is of a general nature and cannot be allocated to regions hence the totals in this Table differ from those in Table 4. (3) The symbol (..) means either an amount less than \$500 or a proportion less than 0.05 per cent.

Table 5 (continued)

Part II, Assistance by Industry Group 1965-66 to 1975-76.

Industry Group	Number of Firms Assisted	Percentage of Total Number
industrial machinery and equipment	148	14.9
food, beverages and tobacco	145	14.6
fabricated metal products	122	12.3
wood, wood products and furniture	93	9.4
clothing and footwear	64	6.5
paper, paper products, printing and publishing	59	6.0
glass, clay and other non-metallic products	54	5.5
transport equipment	51	5.2
leather, rubber and plastics	33	3.3
textiles	21	2.1
wholesale	19	1.9
tourism	34	3.4
councils and other local governing bodies	56	5.7
miscellaneous	91	9.2
TOTAL	990	100.0

Table 5 (continued)

Part III. Expenditure by region per head of population for 11-year period 1965-66 to 1975-76.

Region and Sub-Region	Factory and General Loans, Leases and Industrial Land \$	Housing \$	Freight Subsidies, Grants and Other Subsidies \$	TOTAL \$
<u>COUNTRY REGIONS:</u>				
North Coast	32	10	5	47
New England	6	5	3	13
Orana	7	12	1	19
Far Western	(..)		(..)	1
Murray	47	20	4	70*
Riverina	31	17	9	57*
Central Western	45	25	28	98*
South Eastern	14	20	3	36
ALL COUNTRY REGIONS	25	14	8	47
<u>METROPOLITAN SUB-REGIONS:</u>				
Hunter	8	2	1	10
Illawarra	12	2	2	17
Sydney and Outer Sydney	2	(..)	(..)	2
METROPOLITAN REGION	3	(..)	(..)	4
ALL REGIONS	8	3	2	13

Notes: (1) \* signifies per capita assistance above average.

(2) (..) signifies less than 50 cents per head.

Source: As for Table 4.

which assistance was granted in the 11-year period. The information relates to the number of firms assisted, not to the amount of financial assistance. Within the secondary industries group, most firms assisted were in sub-classes producing industrial machinery and equipment; food, beverages and tobacco; fabricated metal products; wood, wood products and furniture; clothing and footwear; paper, paper products, printing and publishing; glass, clay and other non-metallic products; and transport equipment. The number of firms assisted in the tourist industry represented just over three per cent of the total.

Part III of Table 5 relates the total assistance given to each region in the 11-year period to the average population of each region for that period. On average per capita expenditure in the eight country regions for the 11-year period was \$47, the range of regional expenditures being from \$1 per head in the Far Western Region (based on Broken Hill) to \$98 per head in the Central Western Region (based on Bathurst-Orange). Expenditure per head was also above average in Murray \$70 (based on Albury), Riverina \$47 (based on Wagga Wagga), North Coast \$47 (based on Grafton and Coffs Harbour), and South Eastern \$36 (based on Queanbeyan). Of the \$47 per head assistance to all country regions, \$25 was provided for factory and general loans, leases and industrial land; \$14 for housing; and \$8 for freight subsidies, grants and other subsidies. Assistance to the metropolitan sub-regions averaged \$4 per head, most of that being directed to the Hunter and Illawarra sub-regions.

The extent of interregional assistance can also be examined on the basis of assistance provided on a local authority area basis. Information is available only on the basis of the number of firms assisted in each year. As a particular firm may receive assistance in more than one year, the numbers do not indicate the number of individual firms involved. Table 6 shows the number of firms receiving assistance in each year in the group of 14 provincial city local authorities identified in Part Two of the study and separately for Albury (which is one of this group). In the period since 1971 these provincial city local authority areas (which contain the urban centres which might be regarded as the regional capitals of New South Wales) had from 40 to 50 per cent of all firms assisted within their boundaries. After the declaration of Albury as a growth centre in 1973, the relative importance of Albury as a provincial centre containing assisted country industries increased.

## 2. The Development Corporation and Selective Decentralisation

The Development Corporation was established by the 1966 Act as an advisory body to the Minister, and comprised representatives of metropolitan and country commercial interests as well as academics, all of whom were appointed by the Minister, together with a nominee of the Premier and Treasurer.

The role of the Corporation is generally of an advisory nature, its primary function being to enquire into, prepare plans for, and

**Table 6. NUMBER OF FIRMS ASSISTED FROM COUNTRY INDUSTRIES ASSISTANCE FUND 1971-72 to 1975-76.**

Year ended 30 June	Number of Industries Assisted in			Albury as a % of Group of 14	Group of 14 as a % of Total
	Albury	Group of 14 Provincial City Local Authorities	Total		
1972	7	62	154	11.3	40.3
1973	7	68	153	10.3	44.4
1974	19	98	217	19.4	45.2
1975	14	81	184	17.3	44.0
1976	15	79	158	19.0	50.0

*Note:* The 14 provincial city local authorities are: Albury, Armidale, Bathurst, Coffs Harbour, Dubbo, Goulburn, Grafton, Lismore, Lithgow, Orange, Queanbeyan, Tamworth, Taree, Wagga Wagga.

*Source:* As for Table 4.

make submissions to the Minister on such matters as:

- (i) promotion of the economic or industrial development of the State or any part of the State;
- (ii) establishment, expansion or development of any particular industry or class of industries within the State; and
- (iii) decentralisation of industry and the distribution of population within the State or any part of the State.

The Corporation is also given the power to enquire into any applications made by country industries for grants, loans, subsidies or guarantees.

At its first meeting the Corporation acknowledged the need to review the effectiveness of the means by which decentralisation had previously been implemented in New South Wales. On 12 July 1966 the second meeting of the Corporation took place and the Corporation submitted to the Minister an 11 point program of investigations designed to assess the comparative advantages for New South Wales of "concentrated" as distinct from "dispersed" decentralisation.

It is interesting to note that the program of investigation was directed towards evaluating, in principle, comparative techniques or strategies by which decentralisation could effectively be accomplished. "The justification for decentralisation as a policy commitment has been assumed and accepted". This is an interesting assumption especially in view of the fact that the Committee of Commonwealth/State Officials was still conducting its enquiries "designed to establish...the merits or otherwise of decentralisation as a public policy objective". The findings of the committee (see Chapter VII) by no means support this assumption of the Corporation.

Up to this time no uniform pattern of regional organisation had emerged in New South Wales and no effective program for decentralisation had developed. As noted above in Chapter II the State had been divided into regions since 1946 and Regional Development Committees had operated in the 19 non-metropolitan regions. The Committees had no statutory status and their regional boundaries were not statutory. Because there were no uniformly accepted boundaries, State Departments and Authorities had established regional, district or branch offices for their own purposes. This resulted in a high degree of diversity and fragmentation in regional planning.

By 1966 the need for a comprehensive and effective policy was accepted by members of the State government, the public service and the community, but there was considerable disagreement on the nature of such a policy. In general the Department of Decentralisation and Development and the Development Corporation publicly supported a policy of selective decentralisation. In many cases this view was in conflict with the Government's pronouncements on the matter.

On 22 August 1967, Cabinet, upon the submission of the Minister, authorised the setting up of an Interdepartmental Committee comprising representatives of the Treasury, Department of Local Government,

Public Service Board, State Planning Authority and Department of Decentralisation and Development. The Committee was instructed to report on regional organisations generally, and in particular on:

(i) the extent to which common regions for administration and development purposes could be established;

(ii) the status, composition and functions of Regional Development Committees, or other such alternative bodies as may be recommended;

(iii) the nature and extent of State government assistance which could be afforded Regional Development Committees or alternative bodies to enable them to exercise their functions effectively.

The deliberations of this committee, and its report which was presented to the Minister on 6 July 1971, resulted in the passing of the Regional Organisation Act, 1972. The Committee's Report and subsequent legislation are discussed in Section 3.

In June 1969 the Development Corporation submitted its Report on Selective Decentralisation,<sup>3</sup> recommending that additional assistance be granted to a limited number of areas selected for accelerated development. The Corporation's first major achievement was its definitive statement on growth centres and the strategy of selective decentralisation.

The Report provided the background for a rational discussion of decentralisation policy alternatives. The first alternative *dispersed decentralisation* was defined as the "dispersal of financial assistance to secondary industry among the 156 towns with populations in excess of 1000 outside Sydney, Newcastle and Wollongong".<sup>4</sup> The second alternative, *selective decentralisation* was defined as the "concentrated application of public assistance to a limited number of towns, at any given time, selected having regard to estimates of their prospective capacity to grow, ultimately to the stage at which each centre becomes capable of attracting sufficient investment to maintain its natural increase and its share of migration without assistance".<sup>5</sup>

The Report analysed the existing dispersed decentralisation policy of the New South Wales State Government and concluded that "on the statistical evidence available, the Department's present lending and grants policies are not related to the significant town growth necessary to redirect sizeable population increases from the Sydney region".<sup>6</sup> As an illustration of this kind of evidence Table 7

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<sup>3</sup>Development Corporation of New South Wales, *Report of Selective Decentralisation*, Sydney, March 1969.

<sup>4</sup>*ibid.*, p. 14.

<sup>5</sup>*ibid.*, p. 15.

<sup>6</sup>*ibid.*, p. 22.

**Table 7. RANKING OF URBAN CENTRES BY RATE OF POPULATION GROWTH AND PER CAPITA ASSISTANCE FOR DECENTRALISATION.**

Centre	Expenditure from fund 1961-1967 \$000	Total per head of population	Rank of population change	Rank of expenditure per head
Albury	101.6	4.4	6	11
Armidale	-	-	2	13
Bathurst	102.5	6.1	13	8
Coffs Harbour	77.9	10.8	8	5
Dubbo	62.6	4.4	7	11
Goulburn	277.6	13.5	12	4
Grafton	154.3	9.9	11	6
Lismore	108.4	5.7	10	9
Lithgow	1219.5	85.7	14	1
Orange	1463.4	77.1	5	2
Queanbeyan	227.6	24.1	1	3
Tamworth	144.4	7.6	4	7
Taree	18.9	1.9	9	12
Wagga Wagga	100.6	4.5	3	10

Source: New South Wales Development Corporation, *Report on Selective Decentralisation*, p. 24.

gives statistics of expenditure and population growth over the period 1961-1967 for the 14 local authorities which contain the main New South Wales provincial cities. The statistics support the Corporation's conclusion that there is no direct relationship between expenditure per head and population growth. There is, in fact, a weak inverse relationship (rank correlation coefficient of -0.18). Thus the fact that Lithgow had the highest per capita assistance and the lowest population growth may have been due to the Government's desire to ease the problems caused by conditions in the coal industry in that area at that time. Regional pathology assistance does not generally conform to the kind of assistance required to promote rapid population growth in non-metropolitan regions.

If it was the Government's objective in the 1960s to increase population growth in country centres by providing financial assistance to decentralised industries, it is apparent that the policy had no significant success in offsetting other influences affecting the distribution of population growth.

Although the report of the Development Corporation emphasised the need for a policy of selective decentralisation incentives for specified centres, it also recommended that there should be no curtailment of existing general incentives equally available to all country areas.

The Report of the Development Corporation was submitted to Cabinet for consideration, but the Government issued no statement regarding its attitude to the recommendations. At that time the Victorian Government announced its commitment to a policy of selective decentralisation, and suggested that a joint approach be adopted by the two State governments of Victoria and New South Wales to the development of Albury-Wodonga. Because the growth area was divided by the State border, the Victorian Government also suggested that it might be appropriate for the Commonwealth Government to be involved in the project.

Although the Development Corporation was strongly in favour of a selective decentralisation policy, and despite the announcements of the Victorian Government, the New South Wales Government appeared to be influenced by the political repercussions that could flow from the selection of specific centres for accelerated development. At the National Development Conference in Canberra on 19-20 August 1971 the Minister for Decentralisation and Development said, "Governments can provide machinery and incentives but cannot favour one centre against another",<sup>7</sup> and repeated that view nearly a year later when he was reported as saying, "It has never been the Government's policy to dictate to industry where it should establish decentralised plants, nor has it been Government policy to favour one country town or city against another".<sup>8</sup>

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<sup>7</sup>Proceedings of the National Development Conference, Canberra, 19-20 August 1971. Address by Hon. J. Fuller, p. 2.6.

<sup>8</sup>*Sydney Morning Herald*, 29 June 1972.

Despite the views expressed by the Minister, the Development Corporation prepared a set of selection criteria which would assist country centres in presenting their claims for being a centre suitable for selective decentralisation. The criteria included capacity of utility services, availability of land and water, access to markets, transport and communication facilities, existing industrial base, amenities and liveability, civic initiative and regional influence.

### 3. The Regional Organisation Act, 1972

As noted above the New South Wales Government established an Interdepartmental Committee in 1967 to consider the extent to which uniform regions could be established for public administration and development purposes; the status, structure and functions of regional development committees; and the kind of assistance which the State Government should provide for regional development committees. Some three years later the Interdepartmental Committee reported to the Minister on these matters, and in July 1971 Cabinet approved a proposal from the Minister that the State be divided into nine regions for the purposes of economic development and environmental planning. These nine regions consisted of eight country regions and the metropolitan region which comprised the central coast area from Newcastle to Wollongong. These regions were to be used for both decentralisation policies and statutory planning purposes. Additionally, each State government department was expected to utilise this regional framework, although provision was made for departments to designate sub-regions or districts within the regions where this was more suitable for their purposes. The report of the Interdepartmental Committee also advocated that urban centres in each region be selected for the expansion of administrative services, since such a "regional capital" approach would enhance the prospect of selective decentralisation policies with respect to both public and private enterprise activities.

The regional framework incorporated into the 1972 Act did not include the Sydney Metropolitan Area (Sydney and Outer Sydney Divisions) which it was stated could not "be treated in quite the same way as the State's other regions".<sup>9</sup> The Sydney Metropolitan Area was part of the central coast or metropolitan region which was subsequently identified as comprising three distinct areas - the sub-region of Hunter based on Newcastle, the sub-region of Illawarra based on Wollongong, and the metropolitan area based on Sydney.

In delimiting the regional boundaries the Interdepartmental Committee considered such criteria as community of interest, population distribution, the pattern of communications, topography and climate, the distribution of natural resources, the pattern of industrial and commercial development, the existing State government administrative

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<sup>9</sup>*Towards a New Planning System for New South Wales*, Minister for Planning and Environment, Sydney, November 1974, p. 15.

divisions, and the capacity of the area to sustain a regional centre (regional capital). It was proposed that in each region, or in specified sub-regions, a Regional Advisory Council be appointed, consisting of representatives from the local government councils in the region (one-third of the total number of members), citizens appointed by the Minister (also one-third of the members), and senior regional representatives of departments and authorities most directly concerned with regional development.

In due course ten Regional Advisory Councils were formed, one in each of the eight country regions and two in the sub-regions of Hunter and Illawarra.

A regional council was intended to be an advisory organisation acting as a forum through which local opinion on regional matters could be channelled to the Government, as a media for disseminating information, and as a means of promoting consultation and co-ordination between government departments.

This regional organisation program was given effect in March 1972 when Parliament passed the Regional Organisation Act. Details of the regions and sub-regions are given in Table 8 and Figure 3. Under the Act the Advisory Councils were given the broad functions of encouraging the social and economic development of the region, engaging in data collection and research, and making recommendations on a wide range of matters conducive to the social and economic development of the region. The following specific activities were listed in the Act -

(i) collect and maintain statistical data concerning natural and economic resources;

(ii) record and review trends in population, production, housing, employment, commerce and industry;

(iii) initiate or assist in the preparation of schemes or proposals for the improvement of transport services and means of communication;

(iv) initiate or assist in the preparation of feasibility studies relating to development projects;

(v) furnish advice or make recommendations relating to the encouragement of primary, secondary or tertiary industry;

(vi) furnish advice and make recommendations relating to public works and services;

(vii) make recommendations for the undertaking of civic improvements, community welfare projects and measures to improve the quality of life;

(viii) assist in and make recommendations concerning the co-ordination and decentralisation of the activities of government departments and public authorities;

(ix) facilitate the discussion and ascertainment of the views of persons concerning the social and economic development of the region or district.

Table 8. NEW SOUTH WALES REGIONS

Region or Sub-Region	Number of Local Authorities in Region 1976	Population ,000 30 June			Largest Urban Centres
		1966	1971	1976	
<b>A. Country Regions</b>					
1. North Coast	25	212.5	221.8	251.0	Lismore, Grafton, Taree, Coffs Harbour, Port Macquarie, Casino, Kempsey, Murwillumbah, Ballina
2. New England	27	155.7	164.1	168.0	Tamworth, Armidale, Inverell, Moree, Gunnedah, Narrabri
3. Orana	16	97.4	98.5	99.0	Dubbo
4. Far Western	2	33.7	33.1	30.8	Broken Hill
5. Murray	16	85.5	85.9	91.0	Albury, Deniliquin
6. Riverina	18	129.5	131.5	134.7	Wagga Wagga, Griffith, Leeton, Cootamundra
7. Central Western	22	154.1	151.4	155.4	Orange, Bathurst, Lithgow, Parkes, Forbes, Cowra
8. South Eastern	22	115.5	118.3	127.9	Queanbeyan, Goulburn, Cooma, Young.
Sub-total Country Regions	148	983.9	1004.7	1057.9	
<b>B. Central Coast or Metropolitan Region - Sub-regions</b>					
9. Hunter	14	378.8	405.6	419.3	Newcastle, Maitland, Cessnock-Bellbird, Kurri Kurri-Weston, Muswellbrook, Singleton, Thornton-Beresfield, Raymond Terrace
10. Illawarra	7	219.8	247.3	269.5	Wollongong, Nowra-Bomaderry, Bowral
11. Sydney and Outer Sydney	45	2644.1	2935.9	3021.3	Sydney, Gosford-Woy Woy, The Entrance, Katoomba-Wentworth, Richmond-Windsor, Budgewai Lake
Sub-total	66	3242.6	3588.8	3710.1	
<b>TOTAL</b>	<b>214</b>	<b>4226.5</b>	<b>4593.5</b>	<b>4768.0</b>	

...continued

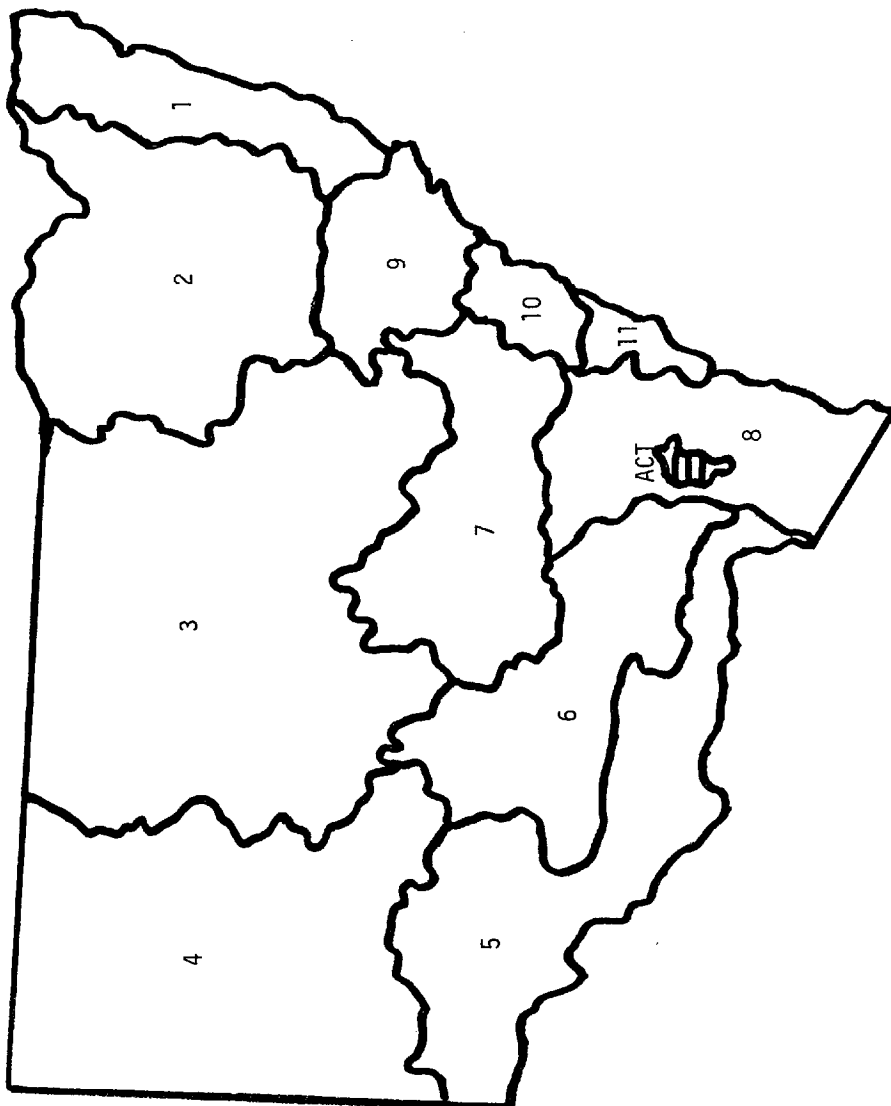
**Table 8** (continued)

*Note:* Population excludes persons living in unincorporated areas of a region or persons classified as migratory.

*Source:* ABS, *1971 Census of Population and Housing*, Bulletin 6, Part I; ABS (New South Wales Office), *Census of Population and Housing 30 June 1976* (Reference Nos. 1 - 9).

**Figure 3.**  
**NEW SOUTH WALES REGIONS**  
**AND SUB-REGIONS**

1. North Coast
2. New England
3. Orana
4. Far Western
5. Murray
6. Riverina
7. Central Western
8. South Eastern
9. Hunter
10. Sydney and Outer Sydney
11. Illawarra



The State government believed that the new regions, in replacing the existing "confused pattern of conflicting areas and districts adopted over the years by the various departments and authorities for their own purposes"<sup>10</sup> represented a major step towards establishing a common pattern of balanced regional development for the State.

In the main the new regions represented amalgamations of the existing development regions (delimited in 1946), and in some cases there was a reluctance on the part of the existing Regional Development Committees to concede the case for larger regions and lose their existing identity. The New South Wales Government, however, believed that the regions would contribute towards the implementation of a policy of decentralisation and national development. At the National Development Conference in Canberra on 19-20 August 1971, the Minister said, "from the Regional Advisory Councils will flow recommendations aimed at achieving the greatest degree of balanced development in each region - recommendations on which the Government can act secure in the knowledge that they spring from local thinking and initiative. This is important as decentralisation must be a co-operative effort",<sup>11</sup>

Although the Department of Decentralisation and Development and the Development Corporation strongly supported a policy of selective decentralisation, the New South Wales Government, presumably because of the political consequences that might ensue from embracing such a policy, remained generally committed to the alternative policy of dispersed decentralisation. However, the State Government was also coming under increasing pressure from other fronts to take a firmer and more positive stand on decentralisation. The problems created by continuing metropolitan growth were being emphasised, and the task force established by the Australian Institute of Urban Studies claimed that by the 1980s there would be a need to build two new regional cities (one in New South Wales and one in Victoria) and five first-generation system-cities (to accommodate metropolitan growth), one for each of the mainland capital cities. By the year 2000 there would be a requirement to provide five new cities of 500,000 persons each, and ten new cities of 250,000 each.<sup>12</sup> The 1972-73 Annual Report of the Department of Decentralisation and Development stressed metropolitan problems, pointing out that despite urgent public works being implemented "escalating land values, labour problems, traffic congestion, parking difficulties, pollution and other problems" remained, and that increasingly "informed management and individuals are questioning the advantages of living and working in Sydney".<sup>13</sup>

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<sup>10</sup>New South Wales Department of Decentralisation and Development, *Annual Report 1970-71*, p. 25.

<sup>11</sup>Proceedings of the National Development Conference, *op. cit.*, p. 2.6.

<sup>12</sup>*First Report of the Task Force on New Cities for Australia*, AIUS, Canberra, 1972, p. 21.

<sup>13</sup>New South Wales Department of Decentralisation and Development, *Annual Report 1972-73*, p. 16.

Apart from the developments within the State of New South Wales noted above, changes were taking place in the federal political sphere which were to have important consequences for the State's regional development policies. In 1969 the Federal Labor Party began formulating a range of programs concerned with urban and regional issues, and in 1971 it introduced a section into its federal platform dealing particularly with city problems. Prior to the 1972 election the Liberal-National Country Party Commonwealth Government was persuaded to develop a policy on urbanisation and decentralisation, an issue which it had previously maintained was a State responsibility, and in October 1972, some three months before the next election, passed the *National Urban and Regional Development Authority Act* which was concerned with the choice of metropolitan and regional growth centres. This Act and its consequences are discussed below in Chapter VII.

#### 4. Bathurst-Orange Regional Growth Centre

During the years after the Second World War the New South Wales State Government gradually developed a fairly extensive and active policy of promoting decentralisation of industry and population. The policy pursued was one of general or dispersed decentralisation, in spite of the strong support given to a policy of selective decentralisation by the Development Corporation. However, the impact of this policy, insofar as it affected the regional distribution of population, was not significant in offsetting other influences, the population of the Sydney Metropolitan Area increasing by almost 300,000 from 1966 to 1971, while the population increase in all eight country regions was only 21,000, so that the proportion of the State's population in the country regions actually fell from 23 per cent to 22 per cent over this period.

In 1968 the Sydney Region Outline Plan was published as an indication of the broad strategy of planning for the Sydney Area to the year 2000. The Plan estimated that on past and current trends the population of the Area could be expected to grow to about 5.5 million by the end of the century, and it was concluded that 500,000 of this expected population increase should be diverted to centres outside the Sydney Area. In line with this aim the New South Wales Government finally committed itself to promoting the concentrated growth of a specified centre, and on 3 October 1972 it was announced that the Bathurst-Orange Area had been selected as the site for the State's first regional growth centre, and that this centre would be developed in accordance with a policy of selective decentralisation. Within a short time Albury-Wodonga was declared the second regional growth centre.

The Bathurst-Orange area is situated some 250 kilometres west of Sydney at the junction of the Great Western, Mitchell and Mid-western Highways. Bathurst is 210 kilometres from Sydney and Orange a further 55 kilometres west. The selection of Bathurst-Orange as the State's first growth centre was the result of studies initiated by the Development Corporation and the Department of Decentralisation and Development. The area was said to possess the following advantages:

suitable population base, closeness to the Sydney market, position on rail links to all Australian capital cities and most parts of the State, excellent road communication with both Sydney and Melbourne, adequate water resources, excess capacity in the existing sewerage system, capacity of the electricity system to meet demands of foreseeable growth, position close to the natural gas pipeline, availability of basic raw materials for the construction industry, adequate community social infrastructure, adequate industrial base and job opportunities, recreational facilities and tourist amenities.<sup>14</sup>

An Interim Consultative Committee was established comprising representatives of the State Government, local government, business and community interests. Extensive research and feasibility studies were carried out by either the Department of Decentralisation and Development or consultants for the Cities Commission (see Chapter VII). On the receipt of favourable reports on the future growth potential of Bathurst-Orange, the Commonwealth Government agreed to provide finance for land acquisition and other elements of the development program.

In July 1974 the Bathurst-Orange Development Corporation was established under the provisions of the Growth Centres (Development Corporations) Act, 1974. The principal functions of the Corporation, which are similar to those of the British New Towns Corporations, are the promotion, planning and programming of growth and development, and the co-ordination of the works program necessary to secure development within the Growth Centre Area. To perform these functions the Corporation has been given powers to designate land for future development and to acquire and subdivide that land as required. In addition the Corporation can construct residential, commercial and industrial buildings. The powers of the Corporation with respect to land are set forth in the Growth Centres (Land Acquisition) Act, 1974. This Act contains the provisions for determining the compensation payable to landowners whose land has been designated and acquired for Growth Centre purposes. To prevent land speculation the legislation provides for land to be acquired at prices which do not reflect speculative forces caused by the October announcement of the declaration of the Growth Centre Area. To prevent speculation future acquisition prices are set at a level determined by indexing the October value of the land by a suitable index of land prices in selected provincial centres in New South Wales.

The initial plan for the Growth Centre Area envisaged that the Area would contain 300,000 people by the turn of the century, but this figure was subsequently revised downwards to 240,000. The first development strategy proposed that the population in the Growth Centre Area would be distributed as shown below<sup>15</sup> - where for

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<sup>14</sup>New South Wales Department of Decentralisation and Development, *Annual Report 1972-73*.

<sup>15</sup>New South Wales Planning and Environment Commission, *New Cities for the Bathurst/Orange Growth Area*, Sydney, 1975, p. 15.

comparative purposes the approximate populations of the Area at 30 June 1971 and 1976 are also shown.

Section of Growth <u>Centre Area</u>	Target Population	Estimated Population	
	(,000)	(,000)	
	2000	1971	1976
Bathurst	50.0	17.2	18.6
Orange and environs	60.0	24.2	26.5
Blayney	10.0	2.2	6.1
Villages	3.5	3.6	
Rural Areas	6.5		
New City	110.0	-	-
Total	240.0	47.2	51.2

Most of the population growth prior to 1980 was assumed to occur in the existing urban centres, but in subsequent years the New City was to dominate the growth pattern of the Area. As the figures above show, however, population growth in the existing areas from 1971 to 1976 was not substantial, the rise of 4000 representing an average annual growth rate for the 5-year period of nearly 1.7 per cent. As is shown in Table 10 below (Section 6) this rate of increase was significantly below the rate of population growth in the fastest growing local authority areas in the country regions of New South Wales (Table 10 lists 25 country local authority areas, and 21 of these had growth rates above that of the Growth Centre Area in the period 1971-76).

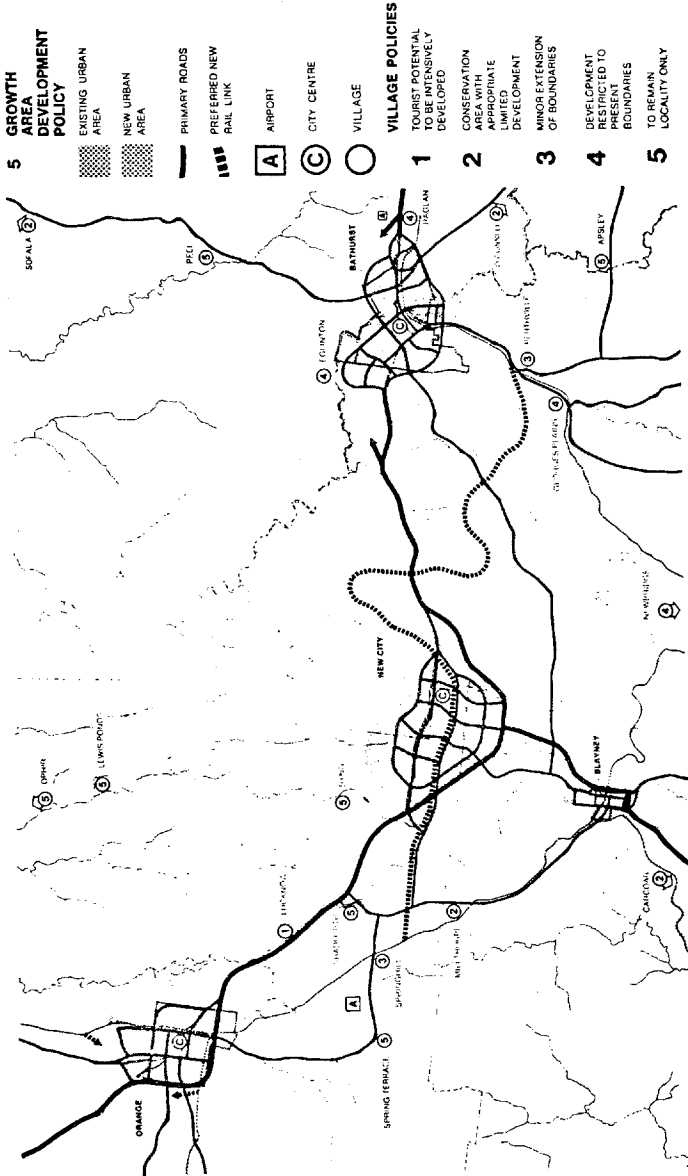
Structure plans for Bathurst, Orange, Blayney and the New City were drawn up, outlining the general policies to be followed in preparing detailed plans for land use, transport routes and other services. In selecting sites for future development considerable emphasis was placed on the need to ensure that future development would be compatible with the preservation of the region's highly productive rural activities (fruit, vegetables, prime lamb and beef cattle). The structure plans provided a framework within which Development Control Plans, prepared by local authorities in conjunction with the Development Corporation, were to be drawn up. These Development Control Plans were essentially neighbourhood planning proposals. The regional strategy plan is shown in Figure 4.

During 1975-76 land in the Growth Centre Area was designated in accordance with the provisions of the Act, and the Corporation spent \$12.7 million on land acquisition, development and associated activities.<sup>16</sup> One and five year development plans were drawn up and approved by the Commonwealth Government.

One of the first projects initiated was the development of a residential area in Bathurst. The area, known as Stewart Estate,

<sup>16</sup>New South Wales Department of Decentralisation and Development, *Annual Report 1975-76*, p. 19.

Figure 4.  
BATHURST-ORANGE GROWTH AREA DEVELOPMENT POLICY



Source: New South Wales Planning and Environment Commission, *New Cities for the Bathurst/Orange Growth Area*, Sydney, 1975, p. 15.

is being developed by the Bathurst City Council, and on completion of the first stage the Estate is expected to provide some 670 dwellings with accommodation for 2000 people.

Although the New South Wales Government agreed to undertake a review of industrial incentives to determine whether special provision should be made for growth centres, Bathurst-Orange industries still receive the same assistance as other eligible decentralisation industries. However, preference for growth centres was given in the form of administrative decentralisation of State government departments, and the Government announced the relocation of the Central Mapping Authority to Bathurst and initiated further studies into the feasibility of relocating other departments. Substantial reliance, at least during the early stages of development, was to be placed on increases in public sector employment.

### 5. Recent Developments

By January 1973, when a newly elected Labor Commonwealth Government, in conjunction with the State governments of New South Wales and Victoria, declared Albury-Wodonga a regional growth centre, the New South Wales Government had accepted and acted upon a policy of selective decentralisation in the case of Bathurst-Orange. It continued, however, to offer financial assistance to all country areas (through the Country Industries Assistance Fund) without favour to the growth centre. The acceptance of a policy of selective decentralisation was therefore only partial, and the State government remained unwilling to provide substantial incentives available only to firms locating in declared growth centres. The development of Albury-Wodonga, which conformed in most organisational aspects to the Bathurst-Orange growth centre, is discussed in Part Two of this study.

In the middle 1970s a movement was emerging in New South Wales for a more integrated form of regional planning, whereby elements of environmental, economic and social planning could be co-ordinated. The Minister for Decentralisation and Development proposed in 1975 that regional advisory councils (decentralisation) and regional planning advisory committees (environmental planning) should be abolished and replaced by a single regional development council in each region and sub-region of the State, except in the Sydney Metropolitan area.

This move towards a more integrated regional planning approach was incorporated into the electoral platform of the New South Wales Labor Party, the leader of the Party, Mr Neville Wran, stating in a policy speech delivered in April 1976 that the Government "will establish regional development corporations responsible to the State to undertake the purchase and establishment of land, communications, public works and amenities within each region, locating wherever practicable Government departments and services in these country regions. We will develop growth regions, not merely growth centres.

We will combine to support the completion of the Bathurst-Orange and Albury-Wodonga growth centres. The growth regions will be assisted in their development by the establishment of regional development corporations along similar lines to the Development Corporations overseeing the development of Albury-Wodonga and Bathurst-Orange growth centres...".<sup>17</sup> Although the Department of Decentralisation and Development saw this proposal, not yet implemented by the newly elected State Labor Government, as heralding a change in approach to regional development and the framing of development programs for the State, the speech contains the acceptance of the conflicting goals of selective and dispersed decentralisation. It appears, therefore, that the New South Wales policies under the new Labor Government may revert more strongly to the older dispersed or general decentralisation policies of trying to promote all regions, and that no new regional growth centres, deserving of favourable discriminatory incentives and programs, will be declared in the State in the foreseeable future.

## 6. Interregional Population Movements in New South Wales

It is not possible to evaluate the degree of success of New South Wales's decentralisation programs in any quantitative way for three reasons: first, the policy measures are mainly of the market incentive kind and therefore actual results cannot be compared with expected or planned results; second, interregional population and industry movements are affected by a large number of other factors some of which (e.g., cessation of overseas migration, economic recession) may at times have a greater impact than the decentralisation measures; and third, the development of the two growth centres of Bathurst-Orange and Albury-Wodonga has been proceeding for too short a period of only four to five years for detailed critical analysis to be undertaken.

As noted in the preceding section one reason for the declaration of the Bathurst-Orange growth centre was the desire to divert population growth away from the Sydney Area. This objective had also been a component of the aims of the State's general decentralisation policy. It is therefore informative to analyse the degree to which this objective of population diversion has been attained, although it is not possible to determine the precise influence of decentralisation programs on these population movements.

The populations of the New South Wales regions and sub-regions at the census dates in 1966, 1971 and 1976 were given above in Table 8. The distribution of the population increases among the regions is shown in Table 9.

From 1966 to 1971 the population of all regions and sub-regions rose by 367,000 but less than six per cent of this increase (21,000)

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<sup>17</sup>Quoted in Department of Decentralisation and Development, *Annual Report 1975-1976*, Sydney, 1977, p. 23.

**Table 9. POPULATION INCREASE BY REGIONS  
1966-71, 1971-76.**

Region or Sub-Region	Share of Total Population % 30 June			Population Increase ,000	
	1966	1971	1976	1966-71	1971-76
1. North Coast	5.03	4.83	5.27	9.3	29.2
2. New England	3.68	3.57	3.52	8.4	3.9
3. Orana	2.31	2.14	2.08	1.1	0.5
4. Far Western	0.80	0.72	0.65	-0.6	-2.3
5. Murray	2.02	1.87	1.91	0.4	5.1
6. Riverina	3.06	2.86	2.83	2.0	3.2
7. Central Western	3.64	3.30	3.26	-2.6	4.0
8. South Eastern	2.73	2.58	2.68	2.8	9.6
sub-total country regions	23.28	21.87	22.19	20.8	53.2
9. Hunter	8.96	8.83	8.79	26.8	13.8
10. Illawarra	5.20	5.38	5.65	27.5	22.2
11. Sydney and Outer Sydney	62.56	63.92	63.37	291.8	85.3
sub-total	76.72	78.13	77.81	346.2	121.3
TOTAL	100.00	100.00	100.00	366.9	174.5

*Source:* As for Table 8.

occurred in the eight country regions. Two country regions (Far Western; and Central Western, which contains the Bathurst-Orange growth centre) actually lost population, but more importantly all of the eight regions experienced a reduction in their shares of the total population. In the three metropolitan sub-regions, Sydney and Illawarra had above-average growth, and these two sub-regions were the only ones among the 11 regions and sub-regions with a larger share of the total population in 1971 than in 1966. Moreover, in this period the Sydney Area accounted for nearly 80 per cent of the population growth. Thus from 1966 to 1971 the eight country regions experienced a differential loss of population of 65,000 persons - i.e., to have maintained their 1966 share of the total population their population increase from 1966 to 1971 would have had to be 86,000, whereas the actual increase was 21,000.

The pattern of population changes from 1971 to 1976 was quite different from that just described. First, the total population increase of 175,000 was less than one-half the increase for the preceding intercensal period. Second, whereas less than six per cent of the 1966-71 population rise occurred in the country regions, this proportion rose substantially to 30 per cent in the period 1971-76. Third, the Sydney Area, which accounted for four-fifths of the total population increase from 1966-71, accounted for less than one-half the increase from 1971-76. Despite these changes the share of total population in the country regions in 1976 was still less than it had been a decade earlier. Within the metropolitan sub-regions, population growth remained strong in Illawarra, which increased its share of the total population.

Among the eight country regions, only one (Far Western) lost population from 1971 to 1976, but the total population increase in these regions was dominated by the rise of 29,000 in the North Coast Region, a rise which represented 55 per cent of the total increase in all country regions. The second largest increase in an individual region was nearly 10,000 in the South Eastern Region, and together the North Coast and South Eastern Regions accounted for 73 per cent of the total population increase in the country regions in the 1971-76 period. As noted below it is of some significance that the two fastest growing regions lie along the north and south coastlines of New South Wales.

The interregional movements of population are also associated with significant intra-regional movements because all parts of growing regions do not grow nor do all parts of declining regions necessarily decline. Table 10 shows by local authority area the major parts of the country regions which experienced population growth over the period 1971 to 1976. The list contains only 25 of the 148 local authority areas in these country regions, and the total population increase in these 25 areas was 57,000, some 4000 higher than total rise in the eight regions.

Of the 25 local authorities classified as having the largest population growth, 11 were located in the North Coast Region, and it is a feature of the growth pattern that most of these 11 local authority areas were coastal resorts. Similarly, in the South

**Table 10.25 LOCAL AUTHORITY AREAS IN COUNTRY REGIONS WITH POPULATION INCREASES 1971 TO 1976 OF EITHER AT LEAST 1000 PERSONS OR AT LEAST 5% p.a.**

Local Authority Area (in descending order of actual increase)	Population Increase 1971-76		Region	Comments
	Number ,000	Average % p.a.		
1. Coffs Harbour	5.9	5.6*	North Coast	coastal resort
2. Wagga Wagga	5.4	3.5*	Riverina	
3. Albury	4.5	3.0	Murray	
4. Port Macquarie	4.0	7.4*	North Coast	coastal resort
5. Tweed	3.5	2.7	North Coast	coastal resorts NSW urban Gold Coast (Tweed Heads)
6. Eurobodalla	3.4	7.0*	South Eastern	coastal resorts of Bateman's Bay, Moruya, Narooma
7. Tamworth	2.9	2.1	New England	
8. Queanbeyan	2.8	3.3*	South Eastern	adjoins Canberra
9. Manning	2.6	4.7*	North Coast	coastal resort of Forster-Tuncurry and adjoins Taree
10. Orange	2.3	1.9	Central Western	
11. Dubbo	2.2	2.4	Orana	
12. Tintenbar	2.0	7.6*	North Coast	adjoins Lismore
13. Imlay	1.9	4.9*	South Eastern	coastal resorts of Eden, Merimbula
14. Armidale	1.6	1.7	New England	
15. Taree	1.4	2.4	North Coast	
16. Bathurst	1.4	1.6	Central Western	
17. Hastings	1.3	2.4	North Coast	coastal resort of Camden Haven and adjoins Port Macquarie
18. Ballina	1.2	3.6*	North Coast	coastal resort
19. Lismore	1.2	1.1	North Coast	
20. Byron	1.1	2.6	North Coast	coastal resorts of Byron Bay and Brunswick Heads

(continued over page)

Table 10(continued)

Local Authority Area (in descending order of actual increase)	Population Increase 1971-76		Region	Comments
	Number ,000	Average % p.a.		
21. Snowy River	1.0	3.8*	South Eastern	snow resorts
22. Kempsey	1.0	1.3	North Coast	
23. Yarralumla	0.9	6.9*	South Eastern	adjoins Quean- beyan and Canberra
24. Hume	0.9	5.1*	Murray	adjoins Albury
25. Turon	0.9	6.6*	Central Western	adjoins Bathurst
Total	57.2	3.1		

Note: \* signifies a percentage increase above average for group of 25.

Source: As for Table 8.

Eastern Region, which contained five of the fastest growing local authorities, two of these local authority areas were coastal resorts on the south coast of New South Wales and one contained resorts in the Snowy Mountains. Most of the provincial cities of New South Wales appear in the list of 25, the exceptions being Grafton (North Coast Region), Goulburn (South Eastern Region), Lithgow (Central Western Region), Griffith (Riverina Region), and Broken Hill (Far Western Region). Of the provincial cities not in the list of 25, two (Lithgow and Broken Hill) experienced a decrease in population from 1971 to 1976.

Table 10 gives details not only of population increases from 1971 to 1976 but also of the average annual percentage growth over the period. The population in the group of 25 grew at an average annual rate for the five years of 3.1 per cent, while the average growth in the country regions as a whole was 1.1 per cent, and for New South Wales only 0.8 per cent. The rate of population growth in these 25 local authority areas therefore exceeded the average rate both for the eight country regions and for the State as a whole (or population in all local authority areas). However, within the group of 25, 13 local authorities had population growth rates in excess of the group average of 3.1 per cent per annum. Of this subgroup of 13, five local authority areas were in each of the North Coast and South Eastern Regions, and of the remaining three one was in each of the Riverina, Murray and Central Western Regions. However, in these three regions only one local authority (Wagga Wagga in the Riverina Region) had a substantial population. It is significant that while the declared growth centres in New South Wales are all in the group of 25, none of them had growth rates above the average rate for that group.

Further details of growth patterns within the regions are shown in Table 11, which indicates how the population increase in each region from 1971 to 1976 was distributed among local authority areas (a) which were within the group of 25, (b) which had an increasing population but were not within the group of 25, and (c) which lost population. For all eight regions, 25 of the 148 local authority areas were classified as the fastest growing, 56 as growing but not in the fastest group, and 67 as losing population. Overall, the 25 local authorities group experienced a population rise of 57,000, the 56 other growing local authority areas a rise of 14,000, while the 67 declining areas lost 18,000.

Table 11 shows a significant difference between the population growth pattern in the North Coast Region and in all other regions in the last intercensal period. In the North Coast Region only two of its 25 local authority areas lost population over the period, and nearly two-thirds of the region's population resided in the 11 of its local government areas classified as being in the group of 25. No other region approached this kind of situation. Only in the Central Western Region did the number of local authority areas with a growing population (both kinds) exceed the number with a declining population. In the remaining six regions, the numbers were the same in the Murray and South Eastern Regions, while in the other four regions the number of declining areas was larger. Thus the population growth rate for the North Coast Region as a whole was 2.5 per cent per annum, three

Table 11. POPULATION GROWTH IN COUNTRY REGIONS AND LOCAL AUTHORITY AREAS 1971 TO 1976

Item	Region									
	NC	NE	O	FW	M	R	CW	SE	ALL	
1. <u>Number of local authorities</u>										
(a) in sub-group of 25	11	2	1	0	2	1	3	5	25	
(b) in other growing areas	12	11	5	0	6	5	11	6	56	
(c) in declining areas	2	14	10	2	8	12	8	11	67	
2. <u>Population increase in local authorities</u> (,000).										
(a) in sub-group of 25	25.2	4.4	2.2	0	5.4	5.4	4.6	10.1	57.2	
(b) in other growing areas	4.7	3.0	1.1	0	0.8	1.4	1.5	1.1	13.7	
(c) in declining areas	-0.7	-3.6	-2.8	-2.3	-1.2	-3.6	-2.1	-1.5	-17.8	
3. <u>Population increase for region</u> (,000)	29.2	3.9	0.5	-2.3	5.1	3.2	4.0	9.6	53.2	
4. <u>Share of region's population in its local authorities in sub-group of 25</u> (,000)										
1971	63.0	27.2	18.2	0	36.9	22.0	28.2	32.9	34.3	
1976	65.7	29.2	20.4	0	40.5	25.5	30.4	38.3	38.0	
5. <u>Average growth of population</u> (% p.a.)										
(a) in region	2.5*	0.5	0.1	-1.4	1.2*	0.5	0.5	1.1*	1.1	
(b) in sub-group of 25	3.4**	1.9	2.4	0	3.2**	3.5**	2.1	4.7**	3.1	

...continued

Table 11 (continued)

Notes: (1) Regional abbreviations: NC = North Coast  
NE = New England  
O = Orana  
FW = Far Western  
M = Murray  
R = Riverina  
CW = Central Western  
SE = South Eastern

(2) \* indicates a regional growth rate above the mean of 1.1 per cent per annum.

(3) \*\* indicates a regional sub-group growth rate above the mean of 3.1 per cent per annum.

Source: As for Table 8.

times larger than the State average rate, and more than double the average rate for the eight country regions. Of the other seven country regions, five actually had population growth rates below the State average of 0.8 per cent per annum (New England, Orana, Far Western, Riverina, Central Western), while the remaining two (Murray, South Eastern) were above the State average rate but only marginally above the average rate of 1.1 per cent for the eight country regions. The declared growth centres of Albury and Bathurst-Orange are located respectively in the Murray and Central Western Regions.

The population movements from 1971 to 1976 do not suggest that the decentralisation policies of the New South Wales Government could explain a significant part of these interregional and intra-regional population movements. While overall there was a relatively large shift of population from the metropolitan region to the country regions (a differential increase of 15,000), this occurred in a period of very slow State population growth.<sup>18</sup> Possibly this slow growth of the population of the State reflected the downturn in overseas migration into Australia in recent years, migration which would apparently have gone mainly into the metropolitan regions (although the Illawarra Sub-Region continued to expand). There is a suggestion that internal population movements in New South Wales in recent years may have been not so much a movement from country to metropolitan areas, as a movement from one country location to another country location combined with a net inflow of overseas migrants mainly into the metropolitan region. If this suggestion is true it has significant implications for decentralisation policy, because interregional migration within the country regions will reflect attitudes of the local migrants towards the attractions of the new locations, not decentralisation incentives. The fact that most of the population growth in the country regions occurred in the

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<sup>18</sup>A differential increase (decrease) in population in an area is the difference between the area's actual population in the terminal (later) year and the population required to have maintained its initial year's share of total population. The concept can thus be used as a kind of rough measure of the extent of interregional change in population distribution. From 1966 to 1971 the population increase for New South Wales was 367,000, with the three metropolitan sub-regions experiencing a differential increase of 65,000 persons (and the eight country regions a differential decrease of the same number). The ratio of 0.18 between these two increases may be defined as the differential ratio, and this ratio may be used as a relative measure (for comparisons with other periods or with States) of the interregional redistribution of population between country and metropolitan regions. In the next period 1971 to 1976 there was a differential increase of 15,000 in favour of the country regions while the total increase was 175,000. The differential ratio of 0.09 indicates that this redistribution was relatively not as great as the redistribution in favour of the metropolitan sub-regions from 1966 to 1971. In other words to have regained their 1966 proportion of the State's population the country regions would have required a population increase from 1971 to 1976 nearly double the actual rise of 53,000.

coastal areas suggests that the attractions of coastal living may be relatively great, a conclusion of some importance given that the two declared growth centres are in inland locations. Thus 11 of the group of 25 fastest growing country local authority areas can be classified as coastal areas, and six of these areas are in the sub-group of 13 with growth rates above the group average of 3.1 per cent per annum. In contrast the declared growth centres all had growth rates below that group average, with Albury being 14th in the list of 25, Orange 21st, and Bathurst 23rd, and the only inland cities with growth above the group average rate were Wagga Wagga and Queanbeyan. The growth of the latter city is, of course, significantly influenced by the growth of Canberra.

## IV DECENTRALISATION AND REGIONAL DEVELOPMENT POLICIES IN VICTORIA SINCE 1964

Decentralisation policy in Victoria is administered by the Division of Industrial Development, a Division of the Department of State Development. The various policy measures available are contained in a number of different Acts, the most important of which are: *Land Act 1958*, *Local Government Act 1958*, *Commercial Goods Vehicles (Decentralised Industries) Act 1963*, *State Development Act 1971*, *Decentralised Industry (Payroll Tax Rebates) Incentives Act 1972*, *Decentralised Industry (Land Tax Rebates) Incentives Act 1973*, *Development Corporation Act 1973*, and *Decentralised Industry (Housing) Act 1973*. As can be seen from the above list, most of the operative legislation is of recent origin.

As in New South Wales, renewed interest in decentralisation was awakened in Victoria in the early 1960s, although at that time the only real assistance provided for country industry consisted of limited financial help to decentralised industries through the Division of State Development, which was within the Premier's Department. Moreover, in the two decades following the end of the Second World War little success had been achieved in diverting population and industry away from the metropolitan area into country regions, the proportion of the State's population in the Melbourne Statistical Division rising steadily from 65 per cent in 1947, to 68 per cent in 1961, and to 71 per cent in 1971.<sup>1</sup>

### 1. Report of the Decentralisation Advisory Committee

Mainly because of increasing concern about the problem of declining rural areas, the Victorian Government in 1964 passed the *Decentralisation Advisory Committee Act* which established a Decentralisation Advisory Committee to determine "Which places outside the metropolitan area within the meaning of the Town and Country Planning Act 1961 have the greatest potential for industrial and commercial expansion and the type and extent of stimulation required to ensure their future development".<sup>2</sup>

The Committee established under the provisions of the Act first met in July 1965 and in all 34 meetings of the Committee were held before the submission of its report two years after its formation.<sup>3</sup> In undertaking its enquiry the Committee decided to restrict it to

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<sup>1</sup>In 1901 the proportion of the State's population in the Melbourne Statistical Division had been only 45 per cent.

<sup>2</sup>*Decentralisation Advisory Committee Act 1964*, Section 12 (a).

<sup>3</sup>*Report of the Decentralisation Advisory Committee on the Selection of Places outside the Metropolis of Melbourne for Accelerated Development*, Melbourne, 1967.

the 27 country urban centres in Victoria which at that time had populations in excess of 5000 persons, and in assessing the potential of the centres as growth areas the Committee considered such factors as: the historical background and growth rates; the present level of development of industry and population; the availability of local sources of raw materials; the availability of water, power and fuel; the relative importance of the area as a regional centre; the effect on each area of existing Government policy; and distance from main market centres and port facilities.

The Committee also examined a variety of industries which had been established in country towns, to see to what extent these industries suffered cost disadvantages because of freight costs, communication costs, lower value of fixed assets as collateral for raising loans, and the necessity for holding relatively larger stocks of raw materials and finished products. As an offset to these cost disadvantages the Committee saw cost advantages available to country location through lower labour turnover, higher labour productivity, increased leisure time for workers, lower cost of providing car parking and other staff amenities and facilities, and cheaper land.

The general conclusion of the Committee was that five country centres presented the best prospects for development - these were Ballarat, Bendigo, Latrobe Valley, Portland and Wodonga. With respect to Wodonga the Committee stated that Wodonga perhaps exhibited the best overall prospects of any of the centres listed, but recommended that, because the area of influence was not entirely within Victorian jurisdiction, a joint commitment be made by both the Victorian and New South Wales Governments to the development of Albury-Wodonga.

A list of all the recommendations of the Decentralisation Advisory Committee is given in Table 12. These recommendations cover such matters as the choice of places, development authorities, financial assistance, land-use planning, housing, industrial land and buildings, communications, amenities, decentralisation of State government activity, and complementary action by the Commonwealth Government. In particular the Committee recommended the establishment of Development Authorities with a structure and functions similar to those of the Development Corporations which were subsequently established in the 1970s to oversee the development of the growth centres of Bathurst-Orange and Albury-Wodonga. With respect to administration of decentralisation policy at the State government level, the Committee recommended that State development be the full-time responsibility of a single Minister, and that the existing Division of State Development be raised to departmental status and provided with appropriate staffing under a Director.

The Victorian Government agreed in broad principle with most of the recommendations made by the Committee. In the year following the issue of the Report, Development Committees were appointed in the five recommended centres of Ballarat, Bendigo, Latrobe Valley, Portland and Wodonga, but the political consequences of favouring centres in a few country electorates with subsidies and concessions were adjudged too risky by the State government, and financial assistance to country industry continued to be provided on a universal non-discriminatory basis.

**Table 12. SUMMARY OF RECOMMENDATIONS OF THE DECENTRALISATION  
ADVISORY COMMITTEE**

1. The Choice of Places

- (i) Ballarat, Bendigo and the Latrobe Valley possess the best potential to develop to a target population of 100,000.
- (ii) With respect to the Latrobe Valley, Traralgon and Morwell be developed as one urban complex, with Moe, Newborough and Yallourn being regarded as a complex within the sphere of influence of Traralgon-Morwell. Churchill should continue to be developed as a dormitory suburb.
- (iii) Portland and Wodonga be regarded as special places and accorded the same consideration as Ballarat, Bendigo and the Latrobe Valley. With respect to Wodonga there be a proviso that the Governments of Victoria and New South Wales agree to participate actively in developing the Wodonga-Albury complex as one regional centre.

2. Development Authorities

- (i) Development Authorities, under the chairmanship of the Minister for State Development, be established at Ballarat, Bendigo and the Latrobe Valley, with a membership from municipalities, public authorities and commerce and industry.
- (ii) Similar Authorities be created at Portland and Wodonga as the need arises.
- (iii) Development Authorities to prepare planning schemes extending beyond the boundaries of any one municipal district and to be the Statutory Authority for enforcing and carrying out such schemes. In this respect the Authority be given the power to acquire and sell vacant land to contiguous owners to enable such land to be used more advantageously.
- (iv) The Authorities be empowered to recommend to the Minister the amount of financial assistance for applicants for assistance from the proposed Industrial and Commercial Undertakings Fund, and on the distribution of the recommended Special Assistance Fund to enable the Councils and Public Authorities to provide services in excess of those normally required.
- (v) The Authorities should act in co-operation with the Division of State Development in promoting growth and pursue publicity campaigns to encourage private investment.

3. Financial Assistance for Councils and Public Authorities

- (i) A Special Assistance Fund be created to enable Councils

...continued

Table 12 (continued)

<p>and Public Authorities to carry out works beyond their capacity.</p> <p>(ii) The assistance be granted on the recommendation of the Development Authority with the approval of the Minister for State Development.</p>
<p><u>4. Financial Assistance to Industrial and Commercial Undertakings</u></p> <p>(i) An Industrial and Commercial Undertakings Fund be established to provide financial assistance to approved industrial and commercial undertakings.</p> <p>(ii) The assistance be granted on the recommendation of the Development Authority with the approval of the Minister for State Development.</p>
<p><u>5. Land Generally</u></p> <p>(i) Interim Development Orders be placed on all land necessary for industrial, commercial and residential purposes pending the establishment of the Development Authorities.</p> <p>(ii) These Interim Development Orders to supersede any existing planning schemes.</p> <p>(iii) The Development Authority be empowered to acquire and develop land for industrial, commercial and residential purposes.</p>
<p><u>6. Housing</u></p> <p>(i) The policy of the Housing Commission be changed to permit the provision of an adequate number of houses. A group of standard type houses or flats be provided for rental or purchase, and a number of better quality houses for purchase. The Commission develop fully serviced land for use by the private sector, and provide special assistance for old people's units.</p> <p>(ii) Funds be allocated for the creation of additional Co-operative Housing Societies, with provision for loans for the purchase of older homes.</p>
<p><u>7. Industrial Land and Buildings</u></p> <p>The <i>Local Government Act</i> be amended to allow Councils to provide land and buildings for commercial and service undertakings, and to give Councils increased borrowing powers.</p>
<p><u>8. Communications</u></p> <p>(i) Improved commuter and freight rail services be provided to and from Melbourne.</p> <p>(ii) An amendment be made to the <i>Commercial Goods Vehicles Act</i> entitling two-way freighting disability industries to use</p>

...continued

Table 12 (continued)

hire and reward carriers.

9. Education

- (i) Educational facilities in the areas be developed to the highest level in the shortest possible time.
- (ii) Immediate residential facilities for tertiary and secondary students be provided at Ballarat, Bendigo and the Latrobe Valley, and at Portland and Wodonga as required.

10. Amenities

Where a Development Authority is convinced of the necessity to provide specific amenities which cannot be financed from normal sources, the Government, on approval by the Minister, should make loans or grants to finance those amenities.

11. Application of Incentives

Development Authorities investigate, and report to the Minister, on incentives additional to those already in existence.

12. Decentralisation of Government Activity

An independent investigation be undertaken to determine which aspects of Government administration can be transferred to the country, particularly to Ballarat, Bendigo, the Latrobe Valley, Portland and Wodonga.

13. Recommendations for Implementation by the Commonwealth Government

With respect to Ballarat, Bendigo, the Latrobe Valley, Portland and Wodonga, the Commonwealth Government -

- (i) Examine existing air terminal facilities and air services.
- (ii) Consider making telephone and teleprinter charges between the five centres and Melbourne at the local calls rate.
- (iii) Allow secondary industry freehold buildings to qualify for depreciation allowances.
- (iv) Allow a differential rate of Company Tax on secondary industrial undertakings.
- (v) Consider the question of establishing modern migrant holding centres at Ballarat, Bendigo and the Latrobe Valley.

14. Publicity

The existing publicity vote of the Division of State Development be progressively increased to finance a comprehensive publicity campaign to bring home to all sections of the community the advantages of decentralisation.

*Source: Report of the Decentralisation Advisory Committee on the Selection of Places Outside the Metropolis of Melbourne for Accelerated Development, Melbourne, 1967, pp. 41-46.*

## 2. The State Development Act 1970

In 1970 the Victorian Government passed the *State Development Act* which implemented some of the recommendations of the Decentralisation Advisory Committee. The Act was intended to "establish a Department of State Development to promote and co-ordinate activities leading to the full and proper development of the State". The Department was constituted on 15 March 1971, and comprised the four Divisions of National Parks, Tourism, Immigration and Industrial Development. National Parks was subsequently transferred to the new Ministry for Conservation which was formed in January 1973. The Division of Industrial Development was responsible for promoting and co-ordinating the development of primary, secondary and tertiary industries throughout the State. In addition to its general function of promotion, liaison and dissemination of information, the Industrial Development Division was also given the function of certifying, as Approved Decentralised Secondary Industries (ADSI), all those companies which were eligible to receive the benefits set out in the relevant legislation.

An ADSI as determined within the meaning of the *Commercial Goods Vehicles (Decentralised Industries) Act* 1963 was a manufacturing or processing industry carried on at a place either within a radius of eight kilometres of the principal post office of Bacchus Marsh, Broadford, Gisborne, Kilmore, Kyneton or Woodend; or beyond a radius of 80 kilometres from the post office at the corner of Bourke Street and Elizabeth Street in the City of Melbourne. To be an approved industry for these purposes, the consent in writing of the Minister for State Development had to be given.

## 3. The Ten Point Plan for Decentralisation

In the second half of 1972 the State government announced proposals for an intensified decentralisation and State development program. In line with this objective the Government issued its Ten Point Plan for Decentralisation on 1 September 1972. The ten points in the so-called Plan were stated as follows:<sup>4</sup>

- (i) The State will be divided into regions, each with a country centre as capital, and several other centres named as district headquarter towns.
- (ii) State government administration will be further decentralised, and a plan for the regionalisation of the administration will be drawn up to comply with the selected regions.
- (iii) Positive and direct financial incentives will be given for all decentralised industries throughout the State.
- (iv) The State government will continue to press the Commonwealth Government for the adjustment of postal and telephone charges

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<sup>4</sup>Division of Industrial Development and Decentralisation, *Annual Report* 1973.

in order to place decentralised industries on the same basis as their metropolitan competitors.

- (v) The State government will advance its existing policy of assisting with the provision of a complete infrastructure in country centres, including services such as power, water, sewerage, roads, recreation and the arts, and education at all levels. Victoria's fourth university will be located in the country as part of this Plan.
- (vi) The State government will provide an impetus to its policy of fostering tourism by the provision of facilities for tourists.
- (vii) As far as practicable, all new Government institutions will be built outside the metropolitan area.
- (viii) First priority will be given by the Housing Commission to housing needs in country centres, especially those created by the establishment of new industries or the expansion of existing industries.
- (ix) A new Victorian Development Corporation will be established for the purposes of assisting, in co-operation with local government, in the establishment of decentralised industries through the development of industrial estates, or the provision of land and buildings suited to the particular needs of an industry.
- (x) The State government will be prepared to join with other State governments, and with the Commonwealth Government, in the development of new cities. The Albury-Wodonga area offers excellent potential for such a project.

Apart from point (x), which refers to new cities and regional growth centres, the 10-point plan is essentially based on the concept of general or dispersed decentralisation not on the concept of selective or concentrated decentralisation.

#### **4. The Victorian Development Corporation and the Provision of Decentralisation Incentives**

Point (ix) of the Victorian Government's Decentralisation Plan outlined above refers to the formation of a Victorian Development Corporation. This Corporation was established in April 1973 under the control of the Minister for State Development and Decentralisation. The Corporation was given the power to "do all things necessary or convenient to be done for or in connexion with encouraging, promoting, facilitating and assisting in the establishment, carrying on, expansion and development of country industries and with the provision of tourist accommodation and facilities throughout the State".<sup>5</sup>

The Corporation's charter permits it to purchase land; take land on lease; acquire land by compulsory acquisition, subject to Ministerial consent; subdivide land and sell or lease it for the benefit of country industry or tourism; make loans or grants to country industry for the

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<sup>5</sup>Victorian Development Corporation, *First Annual Report 1973-74*.

purchase of plant, machinery and other equipment; acquire plant, machinery and other equipment for sale or lease to country industry; issue guarantees for loans made by approved lenders; and make grants or loans to a municipal council for the acquisition of land, the erection of buildings and the provision of services required for the promotion of country industry.

Finance for the activities of the Corporation is obtained from three sources - allocations made by the State Treasury, issue of debentures and inscribed stock, and bank overdraft facilities. It is anticipated that the Corporation will eventually become the major channel through which Victorian Government loan assistance will be made available to country secondary industry.

As indicated above, financial assistance provided by the Corporation may take the form of loans, grants, or loan guarantees. To date, grants and loan guarantees have comprised a relatively insignificant part of the total financial assistance given to country industry, the major part of the assistance taking the form of direct loans. Loans are generally medium to long term with an interest rate related to the long term semi-government loan rate. The interest rate, as determined by the Treasurer, for loans made by the Corporation in 1973-74 was 7.5 per cent.

During 1973-74 the Corporation investigated 193 applications for loans, of which 59 were approved. These approvals amounted to a total commitment of nearly \$7.6 million, of which \$3.1 million was advanced in progress payments during that financial year. In 1974-75 192 applications were received, of which 68 were approved. The total commitment for that year amounted to over \$3.4 million, bringing the Corporation's total outstanding approvals to \$10.4 million. Advances for the year 1974-75 totalled \$4.1 million (for loans approved in both years).<sup>6</sup>

Table 13 gives some information with respect to the industries which received loan assistance during the period since the Development Corporation was established. It is stated that the main reasons why loan applications were rejected were that the applicants either lacked reasonable prospects for establishing a viable industry, or had recourse to sufficient funds from other sources.

Since the publication of the Ten Point Plan on Decentralisation the Victorian Government has gradually expanded its decentralisation incentives. However, it is not possible to compute the total financial assistance provided because the incentives originate in a number of different Acts, government departments and authorities. For example, as shown in Table 14, the Industrial Development Fund administered by the Division of Industrial Development in the early 1970s provided annual amounts ranging from \$200,000 to \$250,000, with over one-half of the funds representing rail freight subsidies. These funds have increased in recent years but most of the increased finance has gone to Geelong. On the other hand payroll tax remissions have been worth from \$7 million to \$15 million per annum, and the

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<sup>6</sup>Victorian Development Corporation, *Second Annual Report 1974-75*.

**Table 13. LOAN APPLICATIONS AND APPROVALS**  
**VICTORIAN DEVELOPMENT CORPORATION**  
**1973-74 and 1974-75**

Proposals	Number	Percentage
<b>1. Industrial</b>		
Applications received during period	227	100
Loans approved	81	36
Loans declined	68	30
Proposals withdrawn	65	29
Applications in progress 30/6/75	13	6
Classification of approved loans by industry		
Brickmaking and ceramics	3	4
Chemicals and plastics	2	2
Concrete products	2	2
Electrical and electronics	5	6
Engineering	23	28
Food and beverages	7	9
Miscellaneous	7	9
Printing	9	11
Textiles and footwear	11	14
Timber products	12	15
Total	81	100
<b>2. Tourism</b>		
Applications received during period	158	100
Loans approved	40	25
Loans declined	64	41
Proposals withdrawn	38	24
Applications in progress 30/6/75	16	10
Classification of approved loans by nature of project		
Hotel/Motel	10	25
Caravan Parks	14	35
Other accommodation	6	15
Tourist attractions	10	25
Total	40	100

Source: Victorian Development Corporation, *Second Annual Report 1974-75*.

Development Corporation has made advances of about \$4 million per year. The main sources of decentralisation assistance are the State Treasury (tax remission), the Division of Industrial Development (Industrial Development Fund), the Victorian Development Corporation, the Decentralised Industry Housing Authority, and local governments. A summary of the main kinds of assistance provided is given below.

*Finance.* If finance is not available through normal channels, ADSIs may apply for funds from the Industrial Development Fund (established under the *State Development Act 1970*), from the Victorian Development Corporation, or from local councils. In the last case, the Minister for State Development and Decentralisation must approve the loan from the local council. In general, finance is provided under more favourable terms and conditions than applies in the banking system, with longer repayment periods and lower rates of interest.

*Tax rebates.* Rebates for payroll tax (first allowed in the year 1973-74) apply to the production and processing activities of all ADSIs. The payroll tax rebate is 100 per cent if the firm is located in a centre not less than 80 kilometres from Melbourne, or if it is located in Bacchus Marsh, Broadford, Gisborne, Kilmore, Kyneton or Woodend. In certain cases a firm may be declared a "Special Establishment" when it receives only a 50 per cent payroll tax rebate.

*Other rebates.* ADSIs are also eligible to receive a 50 per cent rebate of the road transport licence fee where it is moving raw materials to its decentralised factory, or transporting its finished products anywhere in Victoria. This "as of right" licence is provided under the *Commercial Goods Vehicles (Decentralised Industries) Act of 1963*. Transport concessions are also available if buses are required to bring staff to the factory from outlying areas.

In 1973 the *Decentralised Industry (Land Tax Rebates) Incentives Act* introduced rebates for land tax similar to those for payroll tax. In general a decentralised industry is eligible for a 100 per cent rebate of the tax, with a 50 per cent rebate available in the Geelong area.

Finally, with the approval of the Minister, municipal councils may give rate concessions to certain firms for a specified period of time.

*Factories, plant and machinery.* In addition to providing finance the Victorian Development Corporation may also buy land, improve buildings, or buy plant and machinery for leasing to ADSIs. Municipal councils may also buy or build factories to sell or lease to ADSIs or other business undertakings, provided the consent of the Minister is first obtained.

*Housing assistance.* The Decentralised Industry Housing Authority may provide loans for housing to key employees and to companies, subject to certain prescribed conditions. Alternatively the Authority may buy or build dwellings to lease at reasonable rentals under the provisions of the *Decentralised Industry (Housing) Act 1973*. Additionally the State Housing Commission gives priority in allocating the tenancy of homes to employees of ADSIs. A subsidy of up to \$100 is also available to assist in the removal costs of families relocating in country areas from Melbourne.

Table 14. SUMMARY OF INDUSTRIAL DEVELOPMENT FUND PAYMENTS  
(Including payments from former Decentralisation Fund) \$000

Item	Total payments to 30 June 1969	Year ended 30 June					TOTAL to 30 June 1974
		1970	1971	1972	1973	1974 (estimated)	
<u>Subsidies</u>							
Power and light	240.6	2.7	3.4	2.4	2.0	4.0	255.0
Rail freight	1138.7	167.4	149.0	169.6	162.9	180.0	1967.6
Bus	13.3	0.3	0.5	1.2	1.2	2.0	18.5
Road movement	222.0	3.4	3.7	2.8	3.2	4.0	239.3
Miscellaneous	37.3	4.0	3.9	5.7	3.2	5.0	59.2
<u>Reimbursements</u>							
Transport of plant	86.3	10.8	2.5	10.7	27.4	30.0	167.7
Transport of building	7.7	-	6.0	-	-	-	13.7
Removal of furniture	4.0	0.4	0.3	1.0	3.4	4.0	13.0
<u>Other</u>							
Grant in respect of land cost	-	-	11.6	5.3	-	-	16.9
Loans	897.5	-	-	-	-	-	897.5
Training allowance	-	-	-	-	0.3	1.0	1.3
Extensions of electric powerlines to Woods Point	20.0	-	-	-	-	-	20.0
Provision of capital for decentralised indus- tries	49.3	-	-	-	-	-	49.3
Roads and drainage works and water supply	184.1	5.5	8.3	5.3	11.3	20.0	234.4
Provision of water supply and water charges	1.8	-	-	-	-	-	1.8
Ballarat explosives area	-	-	-	-	-	-	-
Purchase of properties Ballarat Paper Mills	532.3	-	-	-	-	-	532.3

...continued

Table 14 (continued)

Item	Total payments to 30 June 1969	Year ended 30 June				TOTAL to 30 June 1974
		1970	1971	1972	1973	
Other buildings and land	91.2	-	-	-	-	91.2
Maintenance of properties	18.8	-	-	-	-	18.8
Municipal subsidies for swimming pools	88.2	-	-	-	-	88.2
Public halls and recreation reserves						
Public library buildings	3.6	-	-	-	-	3.6
- Ballarat	20.0	-	-	-	-	20.0
- Bendigo	20.0	-	-	-	-	20.0
- Sale						
Cultural buildings	68.7	-	-	-	-	68.7
- Mildura						
Refrigeration plants at fishing ports	212.8	-	-	-	-	212.8
Wireless installations	11.8	-	-	-	-	11.8
Electrical installations						
- Robinvale	12.7	-	-	-	-	12.7
Miscellaneous grants	3.2	5.4	2.0	2.0	-	12.6
Total	3986.0	200.0	191.2	206.0	214.8	5048.0
					250.0	

Source: Division of Industrial Development, Annual Report 1973, Appendix 'D'.

*Subsidies and grants.* The Victorian Railways may grant rail freight concessions to specified industries located in Victoria, with further concessions available to ADSIs. The Division of Industrial Development provides a subsidy of \$100 per employee for the training of skilled labour and the transfer of personnel from Melbourne. Additionally, for companies selected by the Industrial Design Council of Australia a grant, equal to two-thirds of the cost but not exceeding \$1500 per firm, is available to finance the obtaining of expert advice on product design and development. Finally, in certain cases municipal councils may be subsidised by the Victorian Government on a \$2 for \$1 basis to construct access roads to a new or an expanding industrial site.

*Preference on Government tenders.* As in New South Wales the Victorian Government recently introduced a five per cent preference scheme for country industries tendering for government contracts.

The broad objective of the Victorian Government implicit in its policy of decentralisation is the attainment of a more spatially balanced distribution of the State's population between the metropolitan region and the country areas of the State. The policy is based on the principle that household location decisions are primarily influenced by employment opportunities, and the various decentralisation measures are intended to encourage industry (particularly secondary industry) to shift to country locations, thereby inducing an associated shift of population. However, these policy measures are non-discriminatory in the sense of not favouring one country location over another. Moreover, the main incentives, particularly the payroll tax rebate, are available to country firms irrespective of their location, their current degree of prosperity, the date of their establishment in the country location, and the extent to which they face cost disadvantages arising from their country location.

The approach to decentralisation policy in Victoria may be criticised because it has been primarily based on the general or non-selective approach, which has meant that assistance has been spread thinly and has not therefore provided a significant stimulus in any one area to expand its economic base and achieve its growth potential. Thus expenditure in one region in past years has not been consolidated by a commitment to continuing future expenditure, and there have been no development priorities in a spatial sense other than those which subsequently arose when the Albury-Wodonga growth centre was declared as a joint project to be undertaken by the Commonwealth, New South Wales and Victorian Governments. The approach of the Victorian Government has therefore been one of general decentralisation and not one of regionalism; the latter concept implies development in regions either of greatest potential (regional growth areas) or of greatest social need (distressed regions).

There has also been a tendency in Victoria, as in New South Wales, for too great a pre-occupation with manufacturing industry, and with the ways in which employment in government administration may be shifted to country centres. Consequently not sufficient attention has been given to analysing and identifying the particular activities in which one or more regions may have a comparative or

absolute advantage, and to determining the measures by and through which these activities may be stimulated. In other words, the principles of international trade theory have not been applied in developing regional and decentralisation policy. As a result, assistance has been given to industries which have not needed it in that their location would have been in country regions without such assistance; assistance has been given to industries already located in country areas; insufficient consideration has been given to the ways in which the firms given assistance fit into the economic structure of the region; and the value of these firms to the regional communities has not been assessed in terms of economic and social benefits.

### 5. Victorian Regions

Although Victoria had been divided into 13 regions in 1944 (see Chapter II, Table 3), this regional approach had little relevance to the subsequent emergence of decentralisation and regional development policies. These policies had the broad objective of reversing the drift of industry and population from the country to the metropolitan area, but in their application the measures derived from this policy objective had no definitive regional orientation, even though the 1967 Report on Decentralisation identified five areas of greatest potential for future development.

The concept of regionalism emerged again in Victoria in 1972, probably as a result of new policies and objectives being propounded at that time in the federal sphere by all the major political parties. In September 1972 the Victorian Government announced that it was extending its decentralisation policy more in the direction of regionalism by dividing the State into regions each with a regional capital and several sub-regional centres. At the same time the State government indicated that it was prepared to consider a program of administrative decentralisation whereby elements of State government administration could be shifted from Melbourne to non-metropolitan centres. Subsequently, the Town and Country Planning Board and the State Planning Council (see below Chapter VI) recommended that the State, excluding the Melbourne area, be divided for purposes of regional planning, research, and statements of planning policy into ten regions. These regions were delimited by the application of four criteria: economic, social, administrative and physical linkages; the full extent of known planning problems or resources of planning significance; the size and distribution of the population, and particularly the population needed to support regional planning programs; and the political organisation and physical dimension appropriate to the efficient operation of regional planning authorities.

It was suggested that these ten regions be grouped into five districts at a higher level of spatial aggregation, and that administrative decentralisation and growth centre policies be developed within this district concept rather than within the regional concept. In this way the number of non-metropolitan centres to be developed would be reduced and the sizes of the district "capitals" would be larger than the regional "capitals". The regions and districts

proposed are shown in Table 15. However, although the regions and districts have been now accepted, the district and regional capitals referred to have not been formally identified by the State government.

Given that Portland is in the South Western District, the districts generally conform to the large areas based on the five regional growth centres recommended for future development by the 1967 Report on Decentralisation. The regions proposed by the Town and Country Planning Board and the State Planning Council were approved by the State Government, and after some minor revisions in May 1974 the regions were also accepted as the Statistical Divisions of the State except that the Melbourne district was divided into two Statistical Divisions, Melbourne and East Central.

The populations in these regions at the census dates in 1966, 1971 and 1976 are shown in Table 16, and their locations in Figure 5. In the classifications used in Table 16 the Barwon Region based on Geelong has been classified as a metropolitan region, just as the sub-regions based on Newcastle and Wollongong in New South Wales were defined as part of the metropolitan region. With this classification there are nine country regions and two metropolitan regions in Victoria, with between one-fifth and one-quarter of the population living in the country regions, about the same as the share of the population of New South Wales in its eight country regions. In each State the proportion of its population in the country regions in 1976 was less than in 1966, but the decline was relatively larger in Victoria. Over the decade the differential loss of population from the Victorian country regions (to have maintained their 1966 population share) was about 85,000, while the corresponding loss in New South Wales was only 52,000. In each of the five-year intercensal periods the Victorian country regions experienced a differential loss of population (fall in their total share), whereas in New South Wales the share of the population living in the country regions increased a little (differential gain) from 1971 to 1976.

## 6. Interregional Population Movements in Victoria

The declining trend in the proportion of Victoria's population living in country regions is shown in Table 17. In the first period from 1966 to 1971 the population of the nine country regions declined in absolute numbers by 3000, while the population of the two metropolitan regions increased by 286,000. However, only one region, Melbourne, increased its share of total population. The Victorian situation in this period was therefore similar to that in New South Wales, where all country regions also experienced a decrease in their share of the State's population. However, the population of the New South Wales country regions in this period increased overall, and only two of the eight regions lost population, compared with four which lost population in Victoria. Thus the drift of population from country areas to the metropolis was much greater in Victoria than in New South Wales in the period 1966 to 1971.

The trend was reversed a little in Victoria in the next period

Table 15. PROPOSED VICTORIAN DISTRICTS AND REGIONS 1973.

Non-metropolitan districts	Regions	Number of sub-regions	Number of municipalities	Major district centre
Gippsland	East Gippsland	2	8½*	Moe-Yallourn Morwell- Traralgon
	Central Gippsland	3	12½*	
North East	North Eastern	2	13	Wodonga
	Goulburn	4	21	
Northern	Loddon-Campaspe	6	27	Bendigo
	Northern Mallee	3	8	
Western	Wimmera	4	14	Ballarat
	Central Highlands	3	16	
South Western	Barwon**	2	14	Geelong
	South Western	3	17	
Total Number	10	32	151	

- Notes: (1) \* Rosedale Shire divided between two regions  
(2) \*\* Barwon includes Geelong Regional Commission (formerly Geelong Regional Planning Authority)  
(3) The Metropolitan district, containing 60 municipalities, has three regions under the direction of the Melbourne and Metropolitan Board of Works, the Western Port Regional Planning Authority, and the Upper Yarra Valley-Dandenongs Regional Authority.

Source: State Premier's Department.

**Table 16. POPULATION OF VICTORIAN REGIONS**  
30 June 1966, 1971, 1976

Region	Number of Local Authorities in Region 1976	Population at 30 June (,000)			Principal Urban Centres
		1966	1971	1976	
<u>Country Regions</u>					
1. South Western	17	99.1	96.2	95.8	Warrnambool, Hamilton, Portland
2. Central Highlands	16	104.0	104.1	109.5	Ballarat, Ararat
3. Wimmera	14	59.7	55.1	54.5	Horsham, Stawell
4. Northern Mallee	8	68.3	67.4	68.6	Mildura, Swan Hill
5. Loddon-Campaspe	27	125.4	126.7	135.0	Bendigo, Castlemaine, Echuca, Maryborough
6. Goulburn	21	115.7	117.6	119.8	Shepparton, Benalla, Seymour, Kyabram
7. North Eastern	13	66.4	66.8	72.2	Wangaratta, Wodonga
8. East Gippsland	8	46.0	48.4	51.3	Sale, Bairnsdale
9. Central Gippsland	13	119.2	118.5	118.4	Moe-Yallourn, Morwell, Traralgon, Warragul
Total Country Regions	137	803.7	800.7	825.2	
<u>Metropolitan Regions</u>					
10. Barwon	14	154.1	166.2	181.0	Geelong, Colac
11. Melbourne	60	2259.2	2532.9	2637.7	Melbourne, Werribee
Total Metropolitan Regions	74	2413.3	2699.1	2818.7	
<b>TOTAL ALL REGIONS</b>	<b>211</b>	<b>3217.0</b>	<b>3499.9</b>	<b>3643.9</b>	

*Notes:*

(1) Migratory population and population living in unincorporated areas other than the Yallourn Works Area are excluded. The Yallourn Works Area population is included in the Central Gippsland Region.

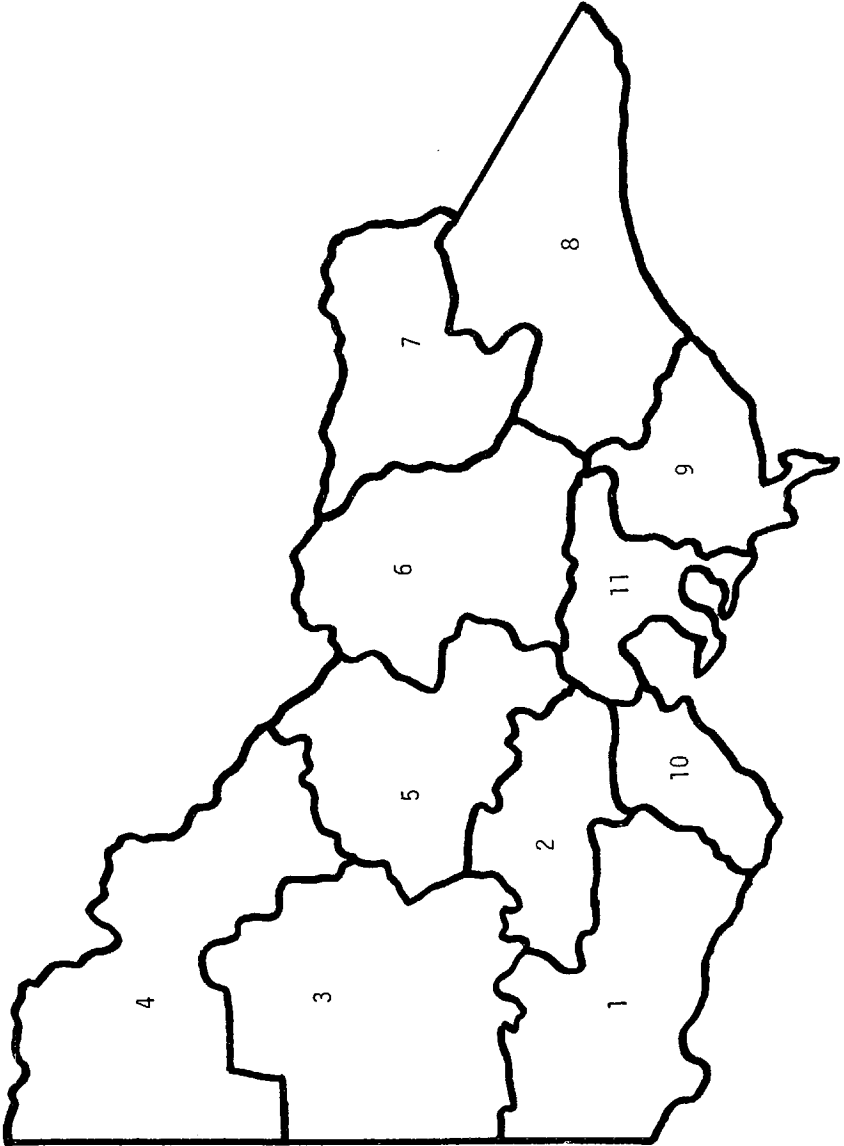
(2) The Melbourne Region has been defined as the Melbourne and East Central Statistical Divisions.

*Source:* ABS, 1971 Census of Population and Housing, Part 2, Bulletin 6; ABS (Victorian Office), Census of Population and Housing 30 June 1976 (Preliminary).

Figure 5.

## VICTORIAN REGIONS

1. South Western
2. Central Highlands
3. Wimmera
4. Northern Mallee
5. Loddon-Campaspe
6. Goulburn
7. North Eastern
8. East Gippsland
9. Central Gippsland
10. Barwon
11. Melbourne



**Table 17. POPULATION INCREASE BY REGIONS**  
1966-71, 1971-76.

Region	Share of Total Population (%) at 30 June			Population Increase ,000	
	1966	1971	1976	1966-71	1971-76
<u>Country Regions</u>					
1. South Western	3.08	2.75	2.63	-2.9	-0.4
2. Central Highlands	3.23	2.97	3.01*	0.1	5.4
3. Wimmera	1.86	1.57	1.49	-4.6	-0.7
4. Northern Mallee	2.12	1.93	1.88	-0.9	1.2
5. Loddon-Campaspe	3.90	3.62	3.71*	1.3	8.4
6. Goulburn	3.60	3.36	3.29	1.9	2.3
7. North Eastern	2.07	1.91	1.98*	0.4	5.4
8. East Gippsland	1.43	1.38	1.41*	2.4	2.9
9. Central Gippsland	3.70	3.39	3.25	-0.7	-0.1
Total Country Regions	24.98	22.88	22.65	-3.0	24.4
<u>Metropolitan Regions</u>					
10. Barwon	4.78	4.75	4.97*	12.1	14.8
11. Melbourne	70.23	72.37 <sup>#</sup>	72.39*	273.7	104.7
Total Metropolitan Regions	75.02	77.12	77.35	285.8	119.6
TOTAL ALL REGIONS	100.0	100.0	100.0	282.8	144.0

*Notes:*

(1) # indicates a region whose share of total population increased from 1966 to 1971; there is only 1 such region among the 11.

(2) \* indicates a region whose share of total population increased from 1971 to 1976; there are 6 such regions among the 11.

*Source:* As for Table 16.

from 1971 to 1976 but not to the same extent as in New South Wales. First the population of the Victorian country regions rose by 24,000, while the increase in the metropolitan regions was only 120,000 (166,000 less than in the preceding period). Despite this the share of population living in the country regions again fell, although only slightly, but four of the eight regions experienced population growth sufficient to raise each region's 1976 share above its 1971 level, although in none of these regions was the 1966 share attained. The two metropolitan regions also had an increased proportion of the total population in 1976, and in the case of Barwon the rise from 1971 to 1976 was sufficient to give it also a share higher than in 1966.

Table 18 lists the local authority areas in the Victorian country regions which either had a population increase of at least 950 persons from 1971 to 1976 or, if a smaller absolute increase, experienced an average annual population growth rate of not less than five per cent. Of the 137 local authority areas in the Victorian country regions, 17 or 12 per cent of the total met the above criteria for population increase - compared with 25 or 19 per cent of the 148 local authority areas in the New South Wales country regions. These 17 Victorian local authorities had a combined population increase of nearly 26,000, just over 1000 more than the rise in all country regions. Moreover, the average annual population growth rate for these 17 local authority areas of 3.3 per cent was over five times larger than the average for all country regions, and four times greater than the average rate for the State as a whole.

Table 19 (item 1) shows the distribution of these 17 local authorities among the country regions. Over three-quarters of the local authorities were located in the regions of Central Highlands (4), Loddon-Campaspe (4), Goulburn (3) and North Eastern (2). Table 19 also gives information about the performance of all local government areas from 1971 to 1976, identifying not only local authorities which were in the fastest growing sub-group of 17, but also those where population increased, but at a rate below that of the sub-group of 17, and those where population declined. In the second group 55 local authorities exhibited slower growth, while 65 lost population. All regions contained local authorities which lost population, but the number of declining local authorities was greatest in South Western, Wimmera, Loddon-Campaspe and Goulburn regions.

Overall, the fastest growing sub-group of 17 local authorities had a population increase of 25,700 from 1971 to 1976, the other 55 growing areas a combined increase of 13,900, while the 65 areas which lost population had an aggregate decrease of 15,200. Thus population growth in the country regions was concentrated in a relatively small part of the State, the sub-group of 17 local authorities having a combined area just over one-tenth of the total area of the country regions. Moreover, two of the sub-group of 17 local authorities (the Shires of Mildura and Tallangatta) account for two-thirds of the total area in the sub-group, but for only one-eighth of their population increase. In other words, the remaining 15 local authorities in the sub-group, which had a combined population increase of nearly 23,000 from 1971 to 1976, contain less than four per cent of the area of Victoria's nine country regions.

Table 18. SEVENTEEN LOCAL AUTHORITY AREAS IN COUNTRY REGIONS  
WITH POPULATION INCREASES 1971 TO 1976 OF EITHER AT  
LEAST 950 PERSONS OR AT LEAST 5% p.a.

Local Authority Area (in descending order of actual increase)	Population Increase 1971-1976		Region	Comments
	Number ,000	Average % p.a.		
1. Wodonga	2.7	3.8*	North Eastern	part of Albury-Wodonga Growth Centre
2. Ballarat	2.6	3.4*	Central Highlands	part of Ballarat Urban Centre
3. Strathfieldsaye	2.5	5.9*	Loddon- Campaspe	part of Bendigo Urban Centre
4. Gisborne	2.0	11.0*	Loddon- Campaspe	adjoins Melbourne Region
5. Mildura (Shire)	1.9	2.3	Northern Mallee	adjoins Urban Centre of Mildura
6. Shepparton (City)	1.8	1.8	Goulburn	regional centre
7. Sale	1.6	2.9	East Gippsland	centre for Bass Strait gas and oil fields
8. Warrnambool (City)	1.5	1.6	South Western	regional centre and coastal resort
9. Tallangatta	1.3	6.2*	North Eastern	partly in Albury-Wodonga Growth Centre
10. Marong	1.3	3.4*	Loddon- Campaspe	part of Bendigo Urban Centre
11. Buninyong	1.1	4.1*	Central Highlands	part of Ballarat Urban Centre
12. Eaglehawk	1.1	3.7*	Loddon- Campaspe	part of Bendigo Urban Centre
13. Rodney	1.0	1.6	Goulburn	adjoins Urban Centre of Shepparton
14. Grenville	1.0	9.1*	Central Highlands	part of Ballarat Urban Centre
15. Bacchus Marsh	1.0	3.6*	Central Highlands	adjoins Melbourne Region
16. Kilmore	0.9	5.5*	Goulburn	adjoins Melbourne Region
17. Traralgon (Shire)	0.4	5.9*	Central Gippsland	in Latrobe Valley area
Total 17 LAAs	25.7	3.3		
137 LAAs in all country regions	24.4	0.6		
211 LAAs in Victoria	144.0	0.8		

**Table 18** (continued)*Notes:*

- (1) \* signifies a growth rate above the average for the sub-group of 17 local authority areas.
- (2) 6 of the 17 local authorities in the sub-group govern some of the population of the Urban Centres of Ballarat and Bendigo - see Table 20.
- (3) Note that while Shepparton (City) and Rodney had a combined population increase of 2825, the other shire adjoining the City, Shepparton (Shire), had a population decrease of 1099.

*Source:* As for Table 16.

Table 19. POPULATION GROWTH IN COUNTRY REGIONS AND LOCAL AUTHORITY AREAS 1971 TO 1976.

Item	Region									
	SW	CH	W	NM	LC	G	NE	EG	CG	ALL
1. <u>Number of local authorities</u>										
(a) in sub-group of 17	1	4	0	1	4	3	2	1	1	17
(b) in other growing areas	3	5	4	2	14	10	8	3	6	55
(c) in declining areas	13	7	10	5	9	8	3	4	6	65
2. <u>Population increase in local authorities</u> (,000)										
(a) in sub-group of 17	1.5	5.7	-	1.9	6.9	3.7	4.0	1.6	0.4	25.7
(b) in other growing areas	0.4	1.9	1.3	0.4	2.9	1.1	2.4	1.8	1.8	13.9
(c) in declining areas	-2.3	-2.2	-2.0	-1.0	-1.3	-2.5	-1.0	-0.5	-2.3	15.2
3. <u>Population Increase for Region</u> (,000)	-0.4	5.4	-0.7	1.2	8.4	2.3	5.4	2.9	-0.1	24.4
4. <u>Share of Region's population in its local authorities in sub-group of 17:</u>										
1971	19.4	25.4	-	23.3	18.1	29.4	25.2	21.6	1.1	18.4
1976	21.1	29.4	-	25.6	22.1	32.0	28.9	23.6	1.5	20.9
5. <u>Average growth of population</u> (% p.a.)										
(a) in region	-0.1	1.0*	-0.3	0.4	1.3*	0.4	1.6*	1.2	-(..)	0.6
(b) in local authorities in sub-group of 17	1.6	4.0**	-	2.3	5.4**	2.1	4.4**	2.9	5.9	3.3

Notes: (1) Regional abbreviations: SW = South Western, CH = Central Highlands, W = Wimmera, NM = Northern Mallee, LC = Loddon-Campaspe, G = Goulburn, NE = North Eastern, EG = East Gippsland, CG = Central Gippsland.  
(2) \* indicates a regional growth rate above mean for country regions of 0.6 per cent per annum.  
(3) \*\* indicates a regional sub-group growth rate above mean of 3.3 per cent per annum.  
(4) Population changes in Central Gippsland Region includes changes in Yallourn Works Area.  
(5) The symbol (..) indicates a rate smaller than .05 per cent per annum.

Source: As for Table 16.

## 7. Regional Growth Centres

The 1967 Decentralisation Report discussed above listed five non-metropolitan centres which appeared to have the greatest potential for expansion. These were the centres of Ballarat, Bendigo, Latrobe Valley, Portland and Wodonga. It was also recommended by the Committee which prepared the Report that Wodonga be developed jointly with Albury in New South Wales.

The Victorian Government did not immediately adopt a policy of selective decentralisation, and no growth centre programs were instituted which can be said to have emanated directly from the 1967 Report. It was not until 1973, following the initiatives of the new Labor Government in Canberra, that a co-operative growth centre project, involving the Victorian and New South Wales State Governments and the Commonwealth Government, was implemented at Albury-Wodonga. Subsequently, the Victorian Government decided to declare Geelong a metropolitan growth centre, but this project did not gain the support of the Commonwealth Government.

Despite the fact that the Victorian Government did not take any immediate action in 1967 to introduce a growth centre program, it is informative to examine the performance of the potential regional growth centres recommended in the 1967 Report, at least with respect to their growth of population since 1966. Details are given in Table 20 for each of the five centres. In determining the boundaries for these growth centres the following criteria have been applied:

- (i) For Ballarat and Bendigo the growth area has been defined as containing those local authority areas in which population of the urban centres of Ballarat and Bendigo respectively resides. Unlike New South Wales provincial cities these Victorian provincial cities have a fragmented local government structure, the urban population of Ballarat being governed by six local authorities, and that of Bendigo by four.
- (ii) The Latrobe Valley sub-region has been defined as the local authorities containing the urban centres of Moe-Yallourn, Morwell and Traralgon, and the Shire of Traralgon.
- (iii) Portland has been taken as the Town and the Shire of Portland.
- (iv) The portion of the declared Albury-Wodonga Growth Centre in Victoria has been taken as the basis for delimiting the Wodonga growth area, which has been defined as including those Victorian local authority areas which in whole or in part are contained within the declared Albury-Wodonga Growth Centre Area.

The above criteria generally delimit areas that are larger than those which would be applicable to growth centres, but this approach has been necessary because it is not always possible to identify population living in parts of local government areas. The approach therefore basically accepts the principle that the boundaries of the sub-regions identified as growth areas will be based on existing local government boundaries.

**Table 20. POPULATION INCREASES IN FIVE SUB-REGIONS RECOMMENDED AS NON-METROPOLITAN GROWTH CENTRES IN REPORT OF DECENTRALISATION ADVISORY COMMITTEE 1967.**

Item	Year or Period	Local Authority Areas in Sub-Region						Sub-Region Total
		1. BALLARAT SUB-REGION (CENTRAL HIGHLANDS REGION)						
		Ballaarat	Ballararat	Bungaree	Buninyong	Grenville	Sebastopol	
1. <u>Population</u> ( <u>,000</u> ) <u>30 June</u>	1966	41.7	12.2	2.2	4.8	1.7	5.0	67.6
	1971	39.8	14.4	2.5	5.1	1.8	5.3	68.9
	1976	37.9	17.0	3.1	6.3	2.8	5.9	73.0
2. <u>Population Increase</u> <u>(,000)</u>	1966-71	-1.9	2.2	0.3	0.3	0.1	0.3	1.3
	1971-76	-1.9	2.6	0.6	1.1	1.0	0.7	4.1
3. <u>Average Annual Rate</u> <u>of Population Growth</u> <u>(% p.a.)</u>	1966-71	-1.7	3.3	2.6	1.2	1.3	1.2	0.4
	1971-76	-1.0	3.4	4.5	4.1	9.1	2.4	1.2
4. <u>Proportion of</u> <u>Population in 3</u> <u>Local Authority</u> <u>Areas in Sub-Group</u> <u>of 17</u>	1966		18.1		7.2	2.5		27.8
	1971		20.9		7.4	2.6		31.0
	1976		23.3		8.6	3.8		35.7
5. <u>Population of</u> <u>Ballararat Urban</u> <u>Centre</u> ( <u>,000</u> )	1966	41.0	10.2	(a)	(a)	0.1	5.0	56.3
	1971	39.4	12.6	0.3	1.1	(..)	5.3	58.6
	1976	37.4	14.9	1.0	1.4	(..)	5.9	60.7
6. <u>Proportion of Sub-</u> <u>Region Population</u> <u>in Urban Centre</u> (%)	1966	60.7	15.2	(a)	(a)	0.1	7.3	83.3
	1971	57.1	18.2	0.5	1.6	(..)	7.6	85.1
	1976	51.2	20.4	1.4	1.9	(..)	8.1	83.2

Table 20 (continued)

Item	Year or Period	Local Authority Areas in Sub-Region				Sub-Region Total
		2. BENDIGO SUB-REGION (LODDON-CAMPASPE REGION)				
1. <u>Population</u> (,000)	1966 1971 1976	<u>Bendigo</u>	<u>Eaglehawk</u>	<u>Marong</u>	<u>Strathfieldsaye</u>	49.2 52.0 57.4
		30.8	5.2	6.5	6.7	
		32.0	5.4	6.9	7.7	
		32.6	6.4	8.2	10.3	
2. <u>Population Increase</u> (,000)	1966-71 1971-76	1.2	0.2	0.4	1.0	2.8
		0.6	1.1	1.3	2.5	5.4
3. <u>Average Annual Rate of Population Growth</u> (% p.a.)	1966-71 1971-76	0.8	0.5	1.3	2.8	1.1
		0.4	3.7	3.4	5.9	2.0
4. <u>Proportion of Population in 3 Local Authority Areas in Sub-Group of 17</u> (%)	1966 1971 1976	10.6	10.6	13.2	13.6	37.4
		10.4	10.4	13.3	14.8	38.5
		11.2	11.2	14.2	17.9	43.3
5. <u>Population of Bendigo Urban Centre</u> (,000)	1966 1971 1976	30.2	5.0	3.0	4.0	42.2
		31.9	4.8	3.7	5.5	45.9
		34.2	6.2	4.3	7.3	50.2
6. <u>Proportion of Sub-Region Population in Urban Centre</u> (%)	1966 1971 1976	61.3	10.2	6.0	8.2	85.8
		61.3	9.3	7.2	10.6	88.3
		59.9	10.8	7.5	12.7	87.5

Table 20 (continued)

Item	Year or Period	Local Authority Areas in Sub-Region						Sub-Region Total
		Moe	3. LATROBE VALLEY SUB-REGION			Traralgon Shire	Yallourn Works Area	
			Morwell	Narracan	Traralgon City			
1. <u>Population</u> (,000) <u>30 June</u>	1966 1971 1976	16.6 15.6 15.3	20.8 22.5 22.7	9.0 8.6 8.6	14.1 14.7 15.1	1.3 1.3 1.8	4.3 3.2 1.8	66.0 65.9 65.3
2. <u>Population Increase</u> (,000)	1966-71 1971-76	-1.0 -0.3	1.6 0.2	-0.4 -(..)	0.6 0.4	0.1 0.4	-1.0 -1.4	-0.1 -0.6
3. <u>Average Annual Rate of Population Growth</u> (% p.a.)	1966-71 1971-76	-1.2 -0.3	1.5 0.2	-1.0 -0.1	0.8 0.6	1.1 5.9	-5.4 -10.7	-(..) -0.2
4. <u>Proportion of Population in 1 Local Authority Area in Sub-Group of 17</u> (%)	1966 1971 1976					1.9 2.0 2.7		1.9 2.0 2.7
5. <u>Population of 3 Urban Centres of Moe-Yallourn, Morwell and Traralgon</u> (,000)	1966 1971 1976	16.5 15.6 15.3	17.1 17.1 16.1	1.9 1.8 1.5	14.1 14.7 15.1		4.3 3.2 1.8	53.9 52.4 49.9
6. <u>Proportion of Sub-Region Population in 3 Urban Centres</u> (%)	1966 1971 1976	25.1 23.7 23.4	26.0 25.9 24.7	2.8 2.7 2.3	21.3 22.3 23.1		6.4 4.9 2.8	81.7 79.5 75.4

Table 20 (continued)

Item	Year or Period	Local Authority Areas in Sub-Region	Sub-Region Total
4. <u>PORTLAND SUB-REGION (SOUTH WESTERN REGION)</u>		<u>Portland Town</u>	<u>Portland Shire</u>
1. <u>Population</u> (,000)	1966 1971 1976	7.0 8.2 8.3	13.6 14.7 14.7
2. <u>Population Increase</u> (,000)	1966-71 1971-76	1.2 0.1	0.1 +(-.)
3. <u>Average Annual Rate of Population Growth</u> (% p.a.)	1966-71 1971-76	3.2 0.2	1.6 +(-.)
4. <u>Number of Local Authorities in Sub-Group of 17</u>	1966 1971 1976	- - -	- - -
5. <u>Population in Urban Centre of Portland</u> (,000)	1966 1971 1976	7.0 8.2 8.3	7.0 8.2 8.3
6. <u>Proportion of Sub-Region Population in Urban Centre</u> (%)	1966 1971 1976	51.7 56.1 56.6	51.7 56.1 56.6

Table 20 (continued)

Item	Year or Period	Local Authority Areas in Sub-Region					Sub-Region Total
		5. WODONGA SUB-REGION (NORTH EASTERN REGION)					
		Beechworth	Chiltern	Tallangatta	Wodonga	Yackandandah	
1. <u>Population</u> (,000)	1966 1971 1976	4.8 4.5 4.6	1.5 1.4 1.5	4.1 3.8 5.1	11.9 13.1 15.7	3.1 3.0 3.2	25.3 25.7 30.1
2. <u>Population Increase</u> (,000)	1966-71 1971-76	-0.3 0.1	-0.1 0.1	-0.3 1.3	1.2 2.7	-0.1 0.2	0.4 4.4
3. <u>Average Annual Rate of Population Growth</u> (% p.a.)	1966-71 1971-76	1.2 0.5	-1.6 2.0	-1.6 6.2	1.9 3.8	-0.6 1.2	0.3 3.2
4. <u>Proportion of Population in 2 Local Authority Areas in Sub-Group of 17 (%)</u>	1966 1971 1976			16.1 14.7 16.9	46.9 50.8 52.2		63.0 65.5 69.1
5. <u>Population of Urban Centre of Wodonga</u> (,000)	1966 1971 1976				8.7 10.5 13.6		8.7 10.5 13.6
6. <u>Proportion of Sub-Region Population in Urban Centre (%)</u>	1966 1971 1976				34.1 40.9 45.2		34.1 40.9 45.2

Notes: (1) (a) indicates not separately identified.

(2) (..) indicates a population smaller than 50 or a percentage smaller than 0.05.

Source: As for Table 16.

The main features of population growth in the five areas are summarised in Table 21. As a group the five growth areas have grown faster than all country regions combined in both intercensal periods, and the share of country population living in the 22 local authority areas in the group of five areas increased from 27.6 per cent in 1966 to 29.1 per cent in 1976. Within the group of five, the main growing areas were Wodonga (especially in the 1971-76 period), Bendigo (both periods), and to a lesser extent Ballarat (both periods). In contrast the population in the Latrobe Valley sub-region actually declined. The fact that the growth areas grew faster than the country regions as a whole is indicated by the fact that while the growth areas contain 16 per cent of the number of local authorities in the country regions, they contain 29 per cent of the country local authorities which had populations in 1976 higher than in 1966.

The identification of all the local authorities in the Ballarat Area also indicates that part of the high growth of some of the local authorities in that Area represents not a shift of population from other regions but a shift within the urban centre of Ballarat, with the population of the older central local authority of Ballarat City falling considerably over the decade. Similarly in the Bendigo Area the central urban local authority of Bendigo City has grown more slowly than the surrounding areas.

## 8. Conclusion

Decentralisation and regional development policies of the Victorian State government have been based mainly on the principle of general or dispersed decentralisation, viewing the State as a two tier spatial unit composed of the metropolitan region and the country regions. With this approach the major objective has been to shift industry to the country regions for the purpose of stopping the drift of population from the country regions to the metropolitan region. However, the decentralisation measures in themselves have not succeeded in reversing this drift, the proportion of the State's population living in the metropolitan region increasing over the decade from 1966 to 1976. While the State decentralisation measures may have caused the population drift to be smaller than it might otherwise have been, clearly other influences have had over-riding effects in determining the interregional distribution of population and industry in Victoria.

It can be argued that the degree of success of the decentralisation measures may have been larger if the State government had adopted a more discriminatory approach, because current policy essentially has neither a growth-maximisation objective (concentration on areas of greatest economic potential) nor a distress-alleviation goal (concentration on areas of greatest need where industries are failing). Thus the resources provided by the State government may have been spread too thinly to produce the greatest impact. Further some of the effects on regional population growth have not been due to decentralisation measures - e.g. growth in the Gippsland regions resulting from the discovery and exploitation of oil and natural gas supplies in Bass Strait, and the adverse consequences for the textile industry of tariff reductions by the Commonwealth government in the early 1970s.

**Table 21. SUMMARY OF POPULATION CHANGES IN FIVE GROWTH CENTRE SUB-REGIONS.**

Item	Growth Centre Sub-Region					All Country Regions
	Ballarat	Bendigo	Latrobe Valley	Portland	Wodonga	
1. <u>Population</u> (,000)						
1966	67.6	49.2	66.0	13.6	25.3	221.8
1971	68.9	52.0	65.9	14.7	25.7	227.1
1976	73.0	57.4	65.3	14.7	30.1	240.5
2. <u>Population Increase</u>						
1966-71 (,000)	1.3	2.8	-0.1	0.1	0.4	5.4
1971-76 (,000)	4.1	5.4	-0.6	+(..)	4.4	13.4
1966-71 % p.a.	0.4	1.1	-(..)	1.6	0.3	0.5
1971-76 % p.a.	1.2	2.0	-0.2	+(..)	3.2	1.2
3. <u>Proportion of Population of Country Regions (%)</u>						
1966	8.4	6.1	8.2	1.7	3.2	27.6
1971	8.6	6.5	8.2	1.8	3.2	28.4
1976	8.9	7.0	7.9	1.8	3.7	29.1
4. <u>Local Authority Areas</u>						
Total Number	6	4	5	2	5	22
Number with a Population in 1976 larger than in 1966	5	4	3	1	4	17

*Note:* The symbol (..) indicates either a change smaller than 50 persons or a rate smaller in absolute value than 0.05 per cent.

*Source:* As for Table 16.

The acceptance by the State government of a new set of regions has led to the establishment of new kinds of regional planning authorities, and the government has supported the programs of these authorities by, for example, providing subsidies of \$2 for every \$1 raised locally. The new approach, when fully developed, appears to improve the prospects for more successful regional planning in the future, although it still remains true that this will require a shift of emphasis from a spatial location policy (based on the dispersed decentralisation concept) to a truly regional policy. This latter policy is based on the development and implementation of measures which are directly relevant and applicable to individual regions, and since regions are not homogeneous with respect to all kinds of economic and social phenomena, it follows that regional policy must be based on measures which are not necessarily the same for all regions. This is the approach which has been adopted in the Albury-Wodonga growth centre area.

## V ENVIRONMENTAL PLANNING IN NEW SOUTH WALES SINCE 1964

### 1. Introduction

The evolution of the statutory planning system in New South Wales prior to 1963 is discussed in Chapter II. As mentioned there, during the 1950s many deficiencies in the administration of physical planning became apparent, and in 1961 the Town and Country Planning Advisory Committee expressed the opinion that there was a need for co-ordinating the activities of the various government and semi-government authorities that were concerned with land use and development, and with the provision of public services and transport. "The Committee is of the opinion that a central planning and development authority clothed with Statutory powers should be set up on the State level".<sup>1</sup> While the Local Government Amendment Act, 1962 was intended to streamline the procedures involved in the planning system, it did not guarantee the co-ordination of land use planning and development in the State. In line with this recommendation legislation for the constitution of the State Planning Authority of New South Wales was introduced into State Parliament in 1963.

### 2. The State Planning Authority

The intention of the State Planning Authority Act, 1963 was to create an Authority to co-ordinate statutory and regional planning at a level higher than that of the local council. To this end, it created the State Planning Authority of New South Wales, subject to the control and direction of the Minister for Local Government.

The Authority was charged with the responsibilities of promoting and co-ordinating town and country planning and securing the orderly and economic development and use of land. To perform these functions the Authority was required to:

- (i) submit to the Minister proposals for the development and use of land;
- (ii) make recommendations or furnish reports to the Minister on proposals relating to the development and use of land and on town and country planning in general;
- (iii) carry out research into problems of town and country planning and prepare and issue reports, bulletins, maps or plans relating to town and country planning;
- (iv) advise local councils on matters relating to town and country planning and the preparation and implementation of local planning schemes;

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<sup>1</sup>New South Wales Planning and Environment Commission, *Report to the Minister for Planning and Environment*, November 1975, p. 31.

- (v) exercise and discharge certain other powers and functions conferred on it by other Acts, e.g. Height of Buildings (Metropolitan Police District) Act, 1912.

The Act abolished the Town and Country Planning Advisory Committee, the Cumberland County Council and the Northumberland County Council, the planning functions of these three authorities and those of the Department of Local Government being taken over by the new State Planning Authority. In addition, the Act provided for the creation of regional planning districts and, in respect of each district created, regional planning committees. The committees were to "prepare surveys of resources and forecasts of population growths, economic development, employment opportunities, transport needs, recreational needs, communication requirements and social, cultural and education needs"<sup>2</sup> of their district. These functions were, in fact, identical with those which the existing regional development committees (set up in 1946) were supposed to perform.

The activities of the Authority were intended to be supervisory, and the local councils were to bear the major responsibility for the preparation of the planning schemes. The establishment of the State Planning Authority did not materially change the processes by which planning was carried out, but did affect the manner in which these processes were administered. "At the same time it laid down the framework whereby the State could become involved in major land developments such as the establishment of sub metropolitan growth centres and the acquisition of land for State planning purposes".<sup>3</sup> The Authority was to be responsible for regional planning and the local councils for local planning. Plans prepared by the councils were to be examined by the Authority and required the approval of the Minister before they could be implemented. The Authority's examination of the plans was to ensure that matters of State or regional significance were not overlooked.

The Authority assumed office in March 1964 and commenced its full functions on 1 June of the same year. Initially most of its resources were allocated to the statutory planning process, with very little emphasis placed on the task of formulating long-term planning proposals of a State or regional nature. This priority choice was partially a result of the large backlog of planning schemes which, prior to June 1964, had been dealt with by the Department of Local Government.

The Authority, however, realised the pressing need for the development and implementation of long-term State and regional plans. A new Investigation and Development Branch was formed within the Authority and was divided into three groups, each with a different task to perform. The Regional Planning Group was required to

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<sup>2</sup>New South Wales Department of Decentralisation and Development, *Annual Report 1969-70*, p. 17.

<sup>3</sup>New South Wales Planning and Environment Commission, *op. cit.*, p. 32.

investigate and prepare outline plans for the development of regions within the States. The Sector Planning Group was to prepare plans for major urban districts in sufficient detail for the subsequent production of interim development orders. The Transportation Planning Group was to participate with road and transport authorities in the work of the County of Cumberland Passenger Transport Advisory Committee and liaise with those organisations.

The Authority found it increasingly difficult to devote sufficient time to the task of regional planning. In addition to the statutory functions imposed on it by the Local Government Act, the Authority was responsible for other administrative tasks. For example, in 1967 the administration of the Height of Buildings Act passed to the Authority and in many respects this duplicated the work of the local councils. The Authority was also responsible for certifying whether or not it was reasonable for the Metropolitan Water, Sewerage and Drainage Board, or the Hunter District Water Board, to require a subdivider to meet the costs of water and sewerage utilities. This involved the Authority in substantial additional administrative work that had little to do with its own planning functions.

Despite this, the Authority attempted to expand its activities in the field of State and regional planning. The Cumberland County Planning Scheme for metropolitan Sydney was proving inadequate, and in 1967 the Authority began the task of formulating a plan for the metropolitan area. During this year the Authority completed comprehensive surveys of the Sydney Region, and presented these results, together with an analysis of the planning problems, in a report on growth and change in the Sydney Region.<sup>4</sup> The publication of this report was followed by its extensive public exhibition, and by meetings with local councils, State and Commonwealth organisations, and community groups. Emphasis was placed on the principle of community participation, and the result was heralded as the most comprehensive exercise of its type in Australia to that date. Following the consultative process, the Authority submitted the *Sydney Region Outline Plan* to the Minister in March 1968.

### 3. The Sydney Region Outline Plan

As noted above the State Planning Authority prepared the Sydney Region Outline Plan to replace the County of Cumberland Planning Scheme. Sydney's growth pressures had, by 1967, far exceeded the forecasts on which the latter scheme was based. The Outline Plan was completely different in character and purpose from the familiar

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<sup>4</sup>New South Wales State Planning Authority, *Sydney Region: Growth and Change: Prelude to a Plan*, Sydney, October 1967.

The Sydney Region is defined as the Sydney and Outer Sydney Statistical Divisions. It extends north to Wyong, west to the Colo Shire and the City of Blue Mountains, and south to the Wollondilly and Camden Shires (see Figure 7).

statutory planning schemes which had, in the past, been prepared by the local councils in conjunction with the State Planning Authority. Rather than dealing with local detail the Outline Plan was a broad-based statement setting out the assumptions, objectives, principles and strategy for urban development up to and beyond 2000.

"The Proposals are designed for a dynamic, and not for a static situation. They are concerned with principles and broad concepts, within which local developers, and State Departments and instrumentalities may each play an effective role in contributing in detail to the efficient and effective growth and prosperity of Sydney over the years to come".<sup>5</sup>

The translation of the broad proposals for any area into detailed plans was to be left primarily to the local councils. As will be discussed in Section 6 of this chapter, the planning system advocated and adopted in the Outline Plan is very similar to recent recommendations for change made by the New South Wales Planning and Environment Commission.

The Outline Plan was seen as a key part of the development strategy for the State as a whole. "The concept of decentralisation has long been built into thoughts on State Development, but the nature and level of action hitherto has clearly not made a very significant difference to the strong drift of population to the Sydney Region".<sup>6</sup> The plan was based on the forecast that the population of the Sydney Region would, by the year 2000, be 5.5 million. Consequently another 2.8 million people would have to be accommodated either within the Region, or partly outside it, during the ensuing 30 years. As an integral part of the strategy it was decided to attempt to divert 500,000 of the anticipated increase of 2.8 million to other areas within the State outside the Sydney Region. This, combined with the aim of promoting urban development in the Gosford-Wyong area, was to be an integral part of the strategy of encouraging population growth outside the County of Cumberland.

Table 22 summarises the proposals for the distribution of the expected population growth of 2.8 million. A new cities complex was proposed for the Campbelltown-Camden-Appin area, located some 50 to 70 kilometres south-west of Sydney, which was anticipated to accommodate half a million people by the year 2000. Its strategic location astride the Sydney-Melbourne railway line, its accessibility to the south coast beaches and the major industrial centres of Wollongong and Port Kembla, made this area an ideal choice for urban development. As such, the complex was a key element in the Plan's strategy for diverting Sydney's growth into a system of interrelated, relatively self-contained new cities, instead of allowing urban sprawl to continue.

Major urban development was also proposed in the West Sector of

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<sup>5</sup>New South Wales State Planning Authority, *Sydney Region: Outline Plan. 1970-2000AD*, Sydney, 1968, p. 2.

<sup>6</sup>*ibid.*, p. 19.

**Table 22. PROPOSED POPULATION DISTRIBUTION  
 SYDNEY REGION OUTLINE PLAN  
 1970-2000**

Area	Population Expansion
Main Urban Area of Sydney:	
Inner Suburbs	static
Outer Suburbs	250,000
South West Sector:	
Campbelltown	315,000
Camden	95,000
Appin	60,000
West Sector:	
Blacktown	40,000
Mount Druitt	150,000
Penrith	120,000
Blue Mountains	50,000
Hoxton Park Fairfield	160,000
Mendi	40,000
North West Sector:	
Castle Hill	40,000
Rouse Hill Maralya	370,000
North Warringah	120,000
Gosford-Wyong	500,000
Minor Extensions	20,000
TOTAL EXPANSION IN SYDNEY REGION	2,320,000
Urban Centres Outside Sydney Region	500,000
TOTAL	2,820,000

Source: *Sydney Region: Outline Plan. 1970-2000AD*, p. 23.

the Sydney region. The existing centres of Blacktown, Mount Druitt and Penrith were to be extended to accommodate an increased population of 300,000 while an additional 50,000 persons were to be settled in the lower Blue Mountains.

The Gosford-Wyong sector, located in the communications corridor between Sydney and Newcastle, was also proposed for substantial urban development, absorbing another half a million people by the end of the century. The area was considered to be in a position to play an important role in bringing about a much closer relationship between Sydney and Newcastle.

Much of the Authority's work in recent years has been associated with the investigation and implementation of the proposals in the Outline Plan. Detailed studies have been prepared for the Campbelltown-Camden-Appin complex<sup>7</sup> and for the Gosford-Wyong Sector.<sup>8</sup> New urban land has been released progressively, in conjunction with water and sewerage programs and other public services within the Region. In addition, the first stage of the Mount Druitt Town Centre was opened in 1973.

Substantial progress has been made in Campbelltown-Camden-Appin, where industrial land has been developed and the planning and design of the new sub-regional centre (an extension of the existing Campbelltown Town Centre), has been completed. The South-West Sector Planning and Development Board was established in March 1975 under an agreement signed by the Commonwealth and New South Wales Governments. The Board was given the responsibility of planning, co-ordinating and implementing the new cities project at Campbelltown-Camden-Appin. Under the conditions of the Agreement funds are made available to the Board from the State Government together with repayable advances from the Commonwealth. The first meeting of the Board was held in September 1975. Since that date the project has been renamed the Macarthur Growth Centre and the Board the Macarthur Development Board, reflecting the historic role played by John Macarthur on his property, Camden Park Estate.

The Board operates under powers delegated to it by the New South Wales Planning and Environment Commission, the body which replaced the State Planning Authority in 1974 (see below). The Board's operations are however quite separate to the Commission and are implemented from Campbelltown on an autonomous basis.

Although the Authority has been involved in preparing the broad structure plans and guidelines, and in purchasing certain lands for development purposes, the more detailed plans (local framework or structure plans) within the overall regional strategy have been prepared by the local councils.

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<sup>7</sup>New South Wales State Planning Authority, *The New Cities of Campbelltown/Camden/Appin: Structure Plan*, Sydney, 1973.

<sup>8</sup>New South Wales Planning and Environment Commission, *Gosford Wyong Structure Plan*, Sydney, 1975.

The Outline Plan did not receive statutory status. No special legislation existed to establish new town corporations or *ad hoc* authorities to control and oversee this kind of development. Nor were there any special sources of finance or powers to undertake the necessary development or to freeze land values at existing levels. However, the Authority did have powers to raise loans for priming finance, and it was also responsible for the planning, control and co-ordination of public authorities. With these powers the Authority was able to purchase the required land and implement its broad planning proposals.

#### 4. Other Developments

(a) *Regional planning districts and committees.* The first regional planning district and the constitution of the first regional planning committee were determined in 1967. This planning district comprised 14 local authority areas in the Hunter region, namely Newcastle, Maitland, Greater Cessnock, Muswellbrook, Singleton, Lake Macquarie, Port Stephens, Murrurundi, Patrick Plains, Merriwa, Denman, Scone, Dungoh and Stroud.<sup>9</sup>

Two main requirements were considered in determining the boundaries for the Hunter Planning District.<sup>10</sup> The first requirement was to include not only Newcastle and the other urban centres of the lower Hunter area but also the hinterland districts which had close economic and social ties with Newcastle. The second requirement was to include a substantial area to the north of Newcastle to ensure the preservation of, and planning for, the northern coastline. On this basis, the boundary was drawn to include the whole of the Hunter River Valley, most of its surrounding catchment area and the coastal waterways of Port Stephens, and Myall and Wallis Lakes.<sup>11</sup>

The Regional Planning Committee was composed of 14 members - the chairman (who was also the deputy chairman of the State Planning Authority), seven local government representatives and six representatives of other statutory bodies with interests in the region. The Committee's principal task was to perform the base work required for the preparation of a strategic plan for the Hunter Region.

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<sup>9</sup>In the 1970s Patrick Plains was merged into Singleton and the name of Stroud was changed to Great Lakes.

<sup>10</sup>State Planning Authority of New South Wales, *Hunter Region. Growth and Change: Prelude to a Plan*, Sydney, November 1972.

<sup>11</sup>In 1972, with the passing of the Regional Organisation Act, the Government formally divided the State into 9 regions for administrative and planning purposes. The Hunter Region, as defined in that context differs slightly from the one defined above by the State Planning Authority in 1967. The Hunter Region defined in 1972 included, in addition to the above 14 local authorities, the Shire of Gloucester (see Chapter III, Table 8 and Figure 3).

The work of the Regional Planning Committee culminated in 1972 with the presentation of the Report, *Hunter Region. Growth and Change: Prelude to a Plan.*

In 1967 the entire question of regions in New South Wales came under the review of an Interdepartmental Committee, and the intention to establish a planning district for the Illawarra was not proceeded with at that time. The outcome of the deliberations of the Interdepartmental Committee are discussed above in Chapter III.

Six years later, in July 1973, the Illawarra Regional Planning Committee was eventually proclaimed, and it was nearly another two years before it had its first meeting at Wollongong in May 1975. The delays are said to have been due to the upheaval associated with the change from the State Planning Authority to the Planning and Environment Commission. The Illawarra region encompasses seven local authority areas - Wollongong, Shoalhaven, Bowral, Wingecarribee, Mittagong, Shellharbour and Kiama. The Committee has 13 members - the Chairman (a Commissioner from the Planning and Environment Commission), seven local government representatives, and representatives from industry (two), regional education (one) and State Government departments (four). The Chairman of the Regional Advisory Council, established under the Regional Organisation Act, is a member of the Regional Planning Committee. Since its formation the Committee has been concerned with such projects as the Shellharbour new town project, an analysis of the regional resources, the identification of the region's problems and landscape recreation studies. It is anticipated that a draft regional plan will be ready for public exhibition and comment in 1978.

(b) *Recent developments.* In 1970 the Land Development Contribution Act and the Land Development Contribution Management Act came into force. The aim of these two Acts was to provide the Authority with an extra source of finance to cover the costs of administration, water provision, sewerage and drainage services, road works and transport facilities, and land acquisition for public purposes in areas where land was released for urban development. Finance was to be obtained by levying a contribution on all non-urban land in the Sydney Region when it was released for urban purposes and rezoned accordingly. However, this provision was abolished in February 1973 and no further land was declared liable for this betterment levy. This resulted in the loss of a major source of finance for planning purposes.

As a result of a review, initiated by the Minister, into the Authority's organisation and constitution, the State Planning Authority (Amendment) Act, 1972 was passed. Among other things, the Act enabled the Authority to reorganise its operations on a committee system, and to delegate to committees the discharge of many detailed and day-to-day functions. Following the amending legislation the Authority established five committees: the Executive Committee, Management Committee, Statutory Planning Committee, Transportation Planning Committee and the State Regional and Project Planning Committee. The Authority was still required to determine broad policies, while the Committees were to work within these policies.

The Act also transferred from the Department of Local Government to the Authority the chairmanship and administrative work associated with Parking Advisory Committees. As with the transfer of the Height of Buildings Act, this involved the Authority in additional administrative work not part of its main functional activities.

In 1972 the Regional Organisation Act was passed. This Act, which is discussed in Chapter III, did not directly involve the State Planning Authority, except that the newly created regional advisory councils were required to include members of regional planning committees, so that in those regions where both committees and councils were functioning there would be cross membership.

The Authority was also involved in the growth centres of Albury-Wodonga and Bathurst-Orange. In the case of Albury-Wodonga the Authority participated in the task force appointed by the Cities Commission before the establishment of the Development Corporation. Its involvement in the Bathurst-Orange centre was much more extensive. While the actual planning surveys in Bathurst-Orange were done by consultants, the Authority maintained close liaison with the local councils involved and retained oversight of the work in relation to that centre.

This work on the regional growth centres was in addition to the previously mentioned involvement of the Authority in the new-cities complexes in the Sydney Region, and its activities associated with the Sydney Outline Plan. It is interesting to note that these metropolitan growth centres (system-cities) pre-dated the regional growth centre policies adopted by the Commonwealth and State Governments in 1973.

In 1973 the New South Wales Government announced its intentions to dissolve the State Planning Authority and constitute the New South Wales Planning and Environment Commission. This announcement had been preceded in 1971 by the appointment of the first Minister for Environmental Control and the establishment of the Department of the Environment and the State Pollution Control Commission. The portfolio of Environmental Control was replaced in 1973 by the portfolio of Planning and Environment. The Department of the Environment was abolished in 1974, and most of its functions were transferred to the State Pollution Control Commission.

The next major change occurred in 1974 with the passing of the New South Wales Planning and Environment Commission Act. This Act dissolved the State Planning Authority and constituted the Planning and Environment Commission. The Minister believed that the difficulties facing the State Planning Authority arose because the Authority was a State as well as a metropolitan planning body, with a too detailed supervisory role. Despite these difficulties it appears that the Authority had not been unsuccessful in attaining many of its objectives. The majority of the State's local government areas, and all major centres of population, had by now been brought under planning control. These controls prevented, in many cases, incompatible land uses, development in unsuitable locations and undesirable forms of development. In addition, much of the coastline had been preserved from development and exploitation. The Sydney Region Outline Plan was

based on a new approach to planning, an approach which is currently being considered for implementation in the rest of New South Wales.

The new Authority, the Planning and Environment Commission, was to become the State planning body for New South Wales. Together with the existing State Pollution Control Commission the Planning and Environment Commission was charged with the responsibility of obtaining a balanced and orderly development and utilisation of land, while at the same time giving necessary protection to the environment.

The intention of the 1974 Act was to enable the State to reduce its involvement in local plans and detailed development decisions, to speed up the decision-making process, and to provide a planning system which could be more understood by the public and which would encourage community participation. Emphasis was also to be placed on environmental considerations. The power to make local determinations concerning planning and development applications was to be conferred on local authorities, provided that development took place within the guidelines, policies and procedures laid down at the State level.

The Planning and Environment Commission, as successor to the State Planning Authority, was empowered to advise local Councils and the Minister on the adequacy of statutory planning measures or their amendment; to initiate action giving statutory effect to State and regional issues; to prepare statutory planning measures where directed by the Minister; to produce advisory planning proposals to guide State and regional development; to provide a framework within which local statutory planning measures could be implemented; to undertake research into the principles of town and country planning; and to acquire and deal in land, and assist with the implementation of plans, with particular regard to regional open space and transportation networks.

The 1974 Act required the Commission to present a report to the Minister, within one year of its taking office, dealing with its own responsibilities, powers, authorities, duties and functions, and with the law and practice relating to town and country planning, and land use and environmental planning. Among other things the report was to make recommendations regarding the organisational, administrative and other changes necessary to improve, restructure, integrate or co-ordinate the planning of the use of land, and the legislative and other measures considered necessary to give effect to those recommendations. The Commission's report was completed within the year prescribed, and was made public in 1975.<sup>12</sup> Prior to its publication the Minister for Planning and Environment issued two discussion booklets outlining a proposed new planning system for New South Wales.<sup>13</sup>

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<sup>12</sup>New South Wales Planning and Environment Commission, *Report to the Minister for Planning and Environment*, November 1975.

<sup>13</sup>Minister for Planning and Environment, *Towards a New Planning System for New South Wales*, November 1974. (Green Book)

and Minister for Planning and Environment, *Proposals for a New Environmental Planning System for New South Wales*, June 1975. (Blue Book)

The main conclusions and recommendations of the three publications are discussed in the next section.

### 5. The Present System

The existing system of physical planning in New South Wales is based mainly on the provisions of Part XIII A of the Local Government Act. Under these provisions planning schemes are prepared by local councils for submission in draft form to the Planning and Environment Commission (which replaced the State Planning Authority in November 1974). These draft planning proposals are examined by the Commission, and when adjudged adequate and sufficient (after amendment in some cases) are recommended to the Minister. Then follows a sequence of public exhibitions of the draft scheme, the receipt and hearing of objections, reports on objections, exhibition for information about any changes to the initial draft scheme, and finally prescription of the planning scheme. This procedure is shown in Figure 6.

The normal planning process described above may be varied in two ways. First, two or more councils may jointly prepare a planning scheme for their combined areas; second, the Minister may direct the Commission to prepare a planning scheme for a specified local government area, in which case the council is not directly involved in the preparation of the draft scheme (although it is consulted).

Other Government departments and authorities also possess powers which are related to the planning process. The most important case is that of the Department of Decentralisation and Development whose powers, discussed above in Chapter III, have elements common with those of the environmental planning authorities. Other Departments have similar kinds of overlapping powers, while some statutory authorities concerned with the provision of public utilities carry out functions which require co-ordination with planning proposals. The main other Departments and Authorities are the Lands Department (which may plan, subdivide and sell land for home sites), Main Roads Department, Housing Commission (which may design and construct towns), the Public Transport Commission, the Electricity Commission, and the Metropolitan Water, Sewerage and Drainage Board.

Many difficulties are encountered in the present planning system, most of which arise from the complicated and time consuming nature of the statutory process itself. Figure 6 illustrates the involved nature of the planning process, with the Minister and the State planning body being involved in all aspects of local plans. This is because all local planning schemes must be approved by the Minister. In addition, once the scheme is approved it can not be changed except by the same lengthy process. This is a major shortcoming of the present system, particularly when the time taken from a council's resolution to prepare a plan until its prescription can vary from 5 years to 20 years, with 10 years being the average in the past.<sup>14</sup> No single body is responsible

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<sup>14</sup>Minister for Planning and Environment, Green Book, p. 10.

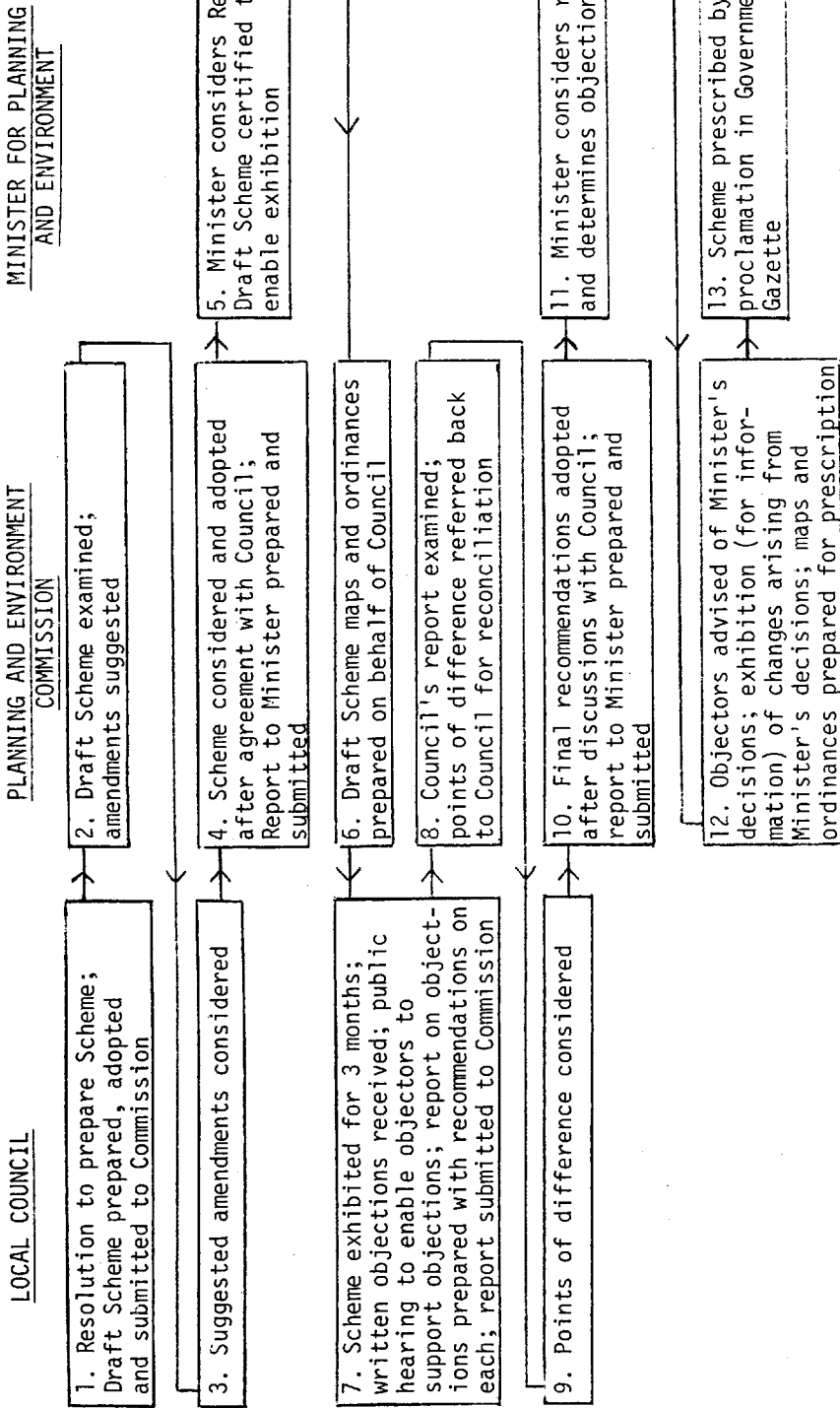


Figure 6. 13 SUCCESSIVE STEPS IN THE PREPARATION AND PRESCRIPTION OF PLANNING SCHEMES

Source: *Towards a New Planning System for New South Wales - Green Book - p. 7.*

for all the steps in the process, and this contributes to the long period of time between the preparation of a draft scheme and the granting of approval for its implementation. As a result planning schemes are sometimes out of date before they have been prescribed.

The present system has also been criticised because of its almost exclusive concern with land use. "The statutory planning scheme determines the use of each parcel of land at a hypothetical (and unspecified) future time. It does not reflect the phasing of development".<sup>15</sup> Because of this concern with land use planning the existing scheme deals only with some of the problems relevant to integrated regional and local planning, and as such is not designed to achieve the broader goals of social or economic policies. Nor does it provide a means for co-ordinating and programming public services and facilities and relating their development to that of the private sector.

Another criticism of the system is that it is over-centralised at the State level, and there is a lack of public involvement. Public exhibition of the planning scheme first takes place *after* proposals have been formulated and the plans are presented in a way which makes it difficult for the community to understand them.

Because of all these factors, the Planning and Environment Commission concluded in its report to the Minister that "the costs of operating the present system, therefore are unnecessarily high, not only as measured in monetary terms but also in terms of very real human concern".<sup>16</sup>

## 6. The Proposed System

(a) *Objectives of the new planning system.* The publication *Towards a New Planning System for New South Wales* defines planning as being a process of making decisions about the physical environment. This process has two aspects, being concerned on the one hand with *where* change occurs, *what* kind and *how much*, and, on the other, with the *effect* of such change on people, the environment and the economy. The planning system is the organisational and legislative structure within which the decision-making process takes place.<sup>17</sup> The aim of the Commission in recommending a new planning scheme for New South Wales was to devise a system which provided the best framework for making planning decisions. In its 1975 report to the Minister the Commission identified five objectives of the ideal planning scheme - general community acceptance, simplicity in operation, consistency in application, speed and economy, and maximum opportunity for community participation. These objectives required that the Government:

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<sup>15</sup>*ibid.*, p. 8.

<sup>16</sup>New South Wales Planning and Environment Commission, *op. cit.*, p. 37.

<sup>17</sup>Minister for Planning and Environment, Green Book, p. 13.

- (i) confer greater power and discretion on local councils in the formulation of local plans;
- (ii) establish some form of regional decentralised organisation for the administration of certain aspects of planning;
- (iii) minimise the involvement of the State in matters relating to detailed local planning;
- (iv) place greater emphasis on social, economic, and ecological factors in environmental planning;
- (v) simplify and speed up the process of planning;
- (vi) invite community participation at all levels of planning.<sup>18</sup>

(b) *General aspects of the new approach.* The Minister for Planning and Environment has two Commissions under his direction, the Planning and Environment Commission and the State Pollution Control Commission. The former is concerned with environmental planning, the latter with environmental control. Under the proposed new system the Planning and Environment Commission would be responsible for the preparation of State and regional plans, the local councils for the preparation of local plans, and the State Pollution Control Commission would continue to exercise its responsibilities with respect to the environmental impact of development.

The proposed new planning system will, if fully implemented, involve two levels in the decision-making process. This is the main difference between the proposed and the existing systems. As discussed in previous sections, under the present system all levels of planning are channelled into one document, the Statutory Planning Scheme. Figure 6 above shows the steps involved in this procedure. All planning issues which involve one local authority, a group of local authorities, regions, and the State, are reviewed at the *State* level, and this is what delays the final prescription of the plan. Under the proposed system two distinct levels of decision making are envisaged, the local, and the State and regional.<sup>19</sup> Within the broad State and regional policy directives and plans (determined by the Planning and Environment Commission in conjunction with regional organisations) the local authorities will be allowed to make their own decisions about local planning.

(i) *State strategies and regional plans.* State strategies and regional policy directions are defined in the 1975 Commission's report to the Minister as "policy documents to set the directions for action and change rather than being a finite result. They may vary in scope, content and commitment so as to guide thought processes and action at each level of the planning system. They may be advisory or obligatory, and take the form individually or in combination of the

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<sup>18</sup>New South Wales Planning and Environment Commission, *op. cit.*, pp. 9-10.

<sup>19</sup>The Commission makes the point that ideally the objectives and contents of plans should be designed within a national framework, but concludes that this approach is not feasible at this stage.

following: statutory directions, advisory statements, plans, diagrams, design criteria, etc."<sup>20</sup>

One of the main difficulties encountered by the Commission in the writing of its report was its uncertainty about the form and function of regional organisations in the future. The Commission felt that a national study of the issues involved and of the role of regional councils was warranted, but stated that this kind of analysis was outside its own terms of reference. For the purposes of the new planning proposals the Commission believed that the administrative regions into which the State was divided by the Regional Organisation Act, 1972 provided a workable basis for regional planning.

Regional and State plans should be concerned with establishing general goals and objectives, and giving guidance on the regional distribution of population and economic activity. In the past State policies and regional plans have generally been distinct. The formulation and implementation of State policies were sought primarily through land use planning. This generally involved the State in ensuring that local plans and development did not prejudice State objectives (e.g., coastal protection programs). The second type of planning was the "in depth" regional study, for example, the Sydney Region Outline Plan and the Hunter Region Prelude to a Plan. These studies were for individuals regions, and there have been no comprehensive studies leading to the formulation of regional plans for all regions of the State. The Committee concluded that "it is no longer practical to regard, even theoretically, State and regional planning as two separate processes".<sup>21</sup>

The Commission defines regional planning as the investigation, and the conscious management, of the natural, and man-made resources of a region, and the development of the region's infrastructure to achieve equity, improved economic opportunity, efficiency and a higher quality of life. Within these general policy objectives local councils should be responsible for the preparation of local detailed plans.

(ii) *Local plans.* It is proposed that there be two types of local plans, the detailed plan and the structure plan. The structure plan is prepared by the local council, and would provide the basic planning structure for the sub-region, town or locality, but within a broad framework, showing only the major elements, such as the location of the town centre, major industrial areas, residential areas and large shopping centres.

The local detailed plan would indicate the ways in which parts of the local area could be developed within the framework established by the local structure plan. Whereas the structure plan would show

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<sup>20</sup>New South Wales Planning and Environment Commission, *op. cit.*, p. 47.

<sup>21</sup>*ibid.*, p. 61.

only the general outline of development, the detailed plan would be concerned with the final and precise definition of the zonal boundaries for different kinds of land use.

(c) *How the new system may work.* The main advantage of the proposed new system will be that neither the local detailed plans nor the local structure plans will be reviewed at the State level. The Commission will be responsible to the Minister for the preparation and continuous updating of State policies and strategies. To ensure consultation and co-ordination, the Commission believes that a number of advisory committees should be established. First there should be a Government Sector Policy Committee, to co-ordinate policies and programs, and to advise the Commission on land use and on State and regional environmental planning policy directions; the government representatives on this Committee should be drawn from groups of departments classified as policies and priorities (Treasury), natural resources, industrial resources, social development and local government. Secondly, there should be a Development Industry Committee, to represent the views of the private sector. Thirdly, a Conservation Advisory Committee should be established, representing the National Trust and relevant Government departments. Finally, there should be a Planning Review Committee with members from local government, professional institutes and the academic sector.

Regional policies would be prepared by the regional offices of the Commission, in collaboration with a Government regional policy committee, after consultation with State Departments, regional planning advisory committees, local councils and the community.

The local structure plan would be prepared by the local councils after consultation with State organisations, adjoining local councils, the regional advisory committee and the local community. The plan would have to conform to regional policy objectives. The local detailed plan would be prepared after consultation with the local community only, although wider consultation could take place if required. While the interim regional policies would come into force as soon as the new system was adopted, a local council would be able to decide for itself when to introduce local plans.

(d) *Implementation of the new planning system and the work of the Commission.* The implementation of the proposals of the Commission required enabling legislation to be introduced into the New South Wales parliament. The Commission recommended that a new Act, titled the Environmental Planning Act, be drawn up to cover the following points: the functions of the various planning authorities - State, regional, local; the form, content and machinery for making and changing State, regional and local environmental plans; the control of development; the preservation of buildings and sites of historic or special interest; and the implementation of plans by the public acquisition of lands. Such an Act would amend parts of the Local Government Act, the State Planning Authority Act, and the Planning and Environment Commission Act, as well as some other legislation affecting planning decisions.

In May 1976 the State Government brought forward the new

planning legislation, but the legislation lapsed when parliament was prorogued. The newly elected Labor Government was not however entirely satisfied with certain aspects of the legislation, and it has not been reintroduced. The Government is in the course of preparing a new bill and it is anticipated that this will be presented to Parliament in June 1978.

During the year 1975-76, in anticipation of the introduction of the new planning legislation, the Commission prepared drafts of the State and regional guidelines required to assist planning decisions. These guidelines were tested in the field with three local Councils. The Commission also completed a number of training packages required to teach the new planning system in advance to its own staff and to staff in State and local government. Management consultants were employed to make recommendations for the rationalisation and improvements of the administration of the present planning system, and for the restructuring of the administrative and planning divisions in preparation for the proposed new system. The recommendations of the consultants were subsequently adopted.

Throughout 1976 the structure of the Commission was reorganised. The staff was regrouped into two divisions, Planning and Corporate Management, and joint teams were established to process planning matters. Apart from the activities described above, the main work of the Commission has been concerned with eliminating the backlog of statutory planning and development control matters which it inherited on its establishment. In this respect the Commission has given priority to regional planning, statutory planning, and special projects. With regional planning, emphasis has been placed on the Sydney Region (Outline Plan review and development), and the Hunter, Illawarra and South East regions. Statutory planning has been concerned mainly with the Gosford-Wyong centre, and the Sydney Region release program - the development of the south-west sector of Sydney has been separated from the work of the Commission, being undertaken by the Macarthur Development Board at Campbelltown. The special projects have included the Parramatta city centre study; the implementation of the Mount Druitt town centre scheme; special studies and advice in applied science, landscape, transportation and community development areas; and publications in the research, policy development and technical fields.

Apart from its statutory functions, the Commission and its staff are also involved with a substantial number of other committees, either by direct representation or through servicing responsibilities. These include Interdepartmental Committees (e.g. Mineral and Sand Mining, Protection of Coastal Lands, Rural Adjustment, Coal Transportation), and Special Purpose Committees (e.g. Urban Land Council, Historic Buildings and Sites, Urban Transport, Height of Buildings, Clean Waters, Technical Advisory Committee to the State Pollution Control Commission, and South East Region Intergovernmental Steering Committee).

## 7. Population Growth in the Sydney Sub-Region since 1966

The Sydney Region Outline Plan was discussed above in Section 3, and Table 22 summarised the proposed distribution of the expected population increase from 1970 to 2000. Although only six years have passed since this Plan was formulated, it is informative to examine population movements in the Sydney area in recent years.

The Sydney sub-region itself has been divided into six regions for this kind of analysis, the regions selected being those suggested by the Department of Urban and Regional Development in October 1973.<sup>22</sup> The location of these regions is shown in Figure 7, and Table 23 gives details of their populations at the last three census dates in 1966, 1971 and 1976. The major parts of these regions where population grew most in the 1970s are also indicated on the map. It can be seen that these areas correspond fairly closely to those which were seen in the Sydney Outline Plan as accommodating most of the future population growth in the Sydney sub-region.

There are significant differences in the spatial patterns of population change between the two intercensal periods 1966-1971 and 1971-1976. In the first period all of the six regions experienced a population increase, although the rise was not large in the Central region (which includes the central city area of Sydney). The largest population increase occurred in the Western region, where nine of its ten local authority areas grew, the largest population increase being in Parramatta with a rise of 27,000, followed closely by Baulkham Hills and Blacktown each with over 20,000 increase. In all six regions, 36 of the 45 local authority areas grew in population size, with a combined increase of 311,000. The nine local authority areas that lost population were mainly in the Central region, but the combined population decline in these areas was only 19,000. Thus the general population growth pattern in the Sydney sub-region from 1966 to 1971 was one of expansion, although rates of expansion differed considerably.

The spatial pattern of population growth from 1971 to 1976 was quite different from that just described. First, only 21 local authority areas experienced a population increase totalling 172,000, while 24 local authorities lost a combined population of 87,000. Moreover, two of the six regions (Central and Southern) had a decrease in population. The most rapidly growing region was again the Western region, with eight of its ten local authority areas experiencing growth. The main difference in this region as compared with the previous period was that Parramatta, which had the largest population increase from 1966 to 1971, lost population in the 1971 to 1976 period.

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<sup>22</sup>Department of Urban and Regional Development, *Regions*, AGPS, Canberra, October 1973.

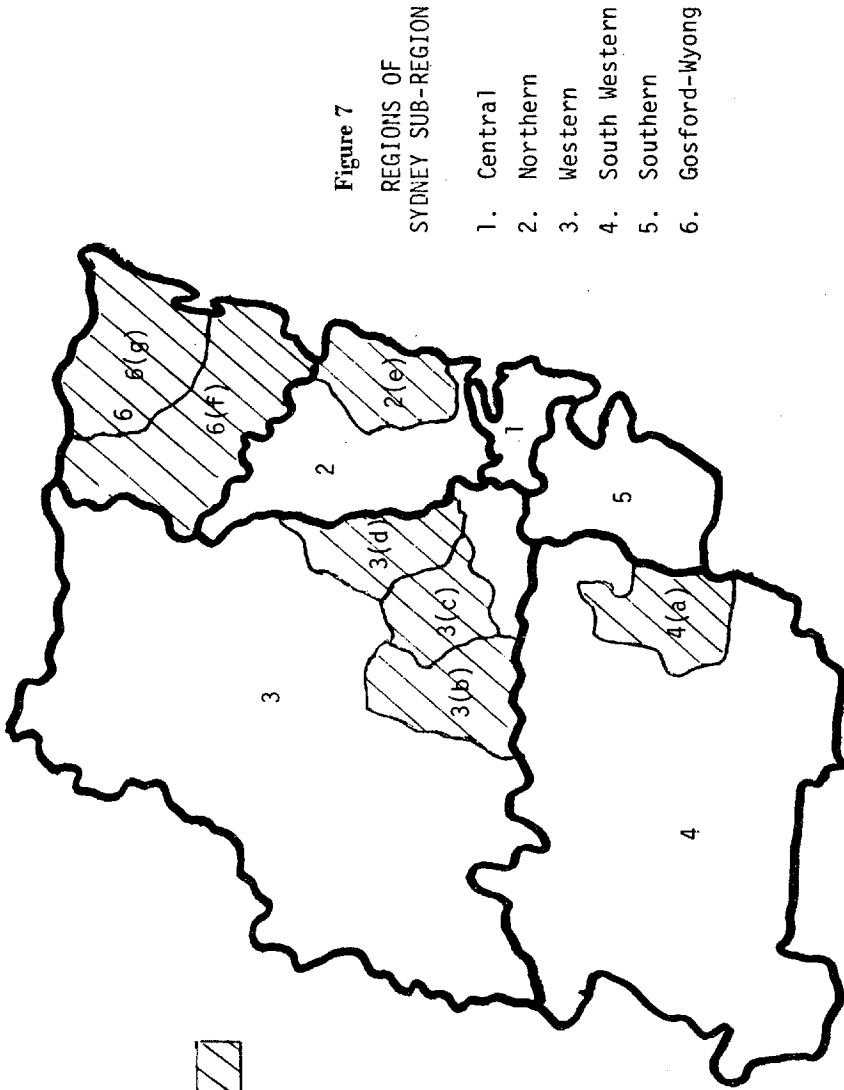


Figure 7

REGIONS OF  
SYDNEY SUB-REGION

1. Central
2. Northern
3. Western
4. South Western
5. Southern
6. Gosford-Wyong



Main Areas of Growth  
1971-1976, population  
increase of at least  
10,000. Increase for  
1966-71, 1971-76  
shown in bracket (,000)

- 4a Campbelltown (8; 18)
- 3b Penrith (14; 19)
- 3c Blacktown (22; 26)
- 3d Baulkham Hills (24; 18)
- 2e Warringah (35; 13)
- 6f Gosford (14; 17)
- 6g Wyong (8; 14)

Table 23. POPULATION INCREASE IN THE SYDNEY SUB-REGION  
1966-1971, 1971-1976.

Item	Regions of the Sydney Sub-Region						TOTAL
	Central	Northern	Western	South Western	Southern	Gosford-Wyong	
1. <u>Population</u> (,000)							
30/6/66	758.5	503.3	564.3	114.8	635.7	67.5	2644.1
30/6/71	762.9	577.1	684.5	140.5	681.6	89.3	2935.9
30/6/76	699.1	593.8	762.5	171.3	673.8	120.7	3021.3
2. <u>Population Increase</u> (,000)							
1966-1971	4.5	73.8	120.2	25.8	45.8	21.8	291.8
1971-1976	-63.8	16.7	78.0	30.8	-7.8	31.4	85.3
1966-1976	-59.4	90.5	198.2	56.5	38.0	53.2	377.2
3. <u>Number of Local Authority Areas</u>	14	8	10	4	7	2	45
4. <u>Number of Local Authority Areas with a Population Increase from</u>							
1966-1971	9	6	9	4	6	2	36
1971-1976	1	5	8	4	1	2	21
5. <u>Population Increase in Local Authorities in 4</u> (,000)							
1966-1971	22.6	74.6	120.2	25.7	46.3	21.8	311.2
1971-1976	0.3	22.7	81.7	30.8	5.1	31.4	172.1

Table 23 (continued)

Item	Regions of the Sydney Sub-Region						TOTAL
	Central	Northern	Western	South Western	Southern	Gosford-Wyong	
6. <u>Number of Local Authority Areas with a Population Decrease from</u>							
1966-1971	5	2	1	0	1	0	9
1971-1976	13	3	2	0	6	0	24
7. <u>Population Decrease in Local Authorities in 5</u>							
(,000)							
1966-1971	18.1	0.8	(..)	-	0.5	-	19.3
1971-1976	64.1	6.1	3.7	-	12.9	-	86.8
8. <u>Proportion of Population Increase of all Growing Local Authorities in the Region (%)</u>							
1966-1971	7.3	24.0	38.6	8.3	14.9	7.0	100.0
1971-1976	0.2	13.2	47.4	17.9	3.0	18.3	100.0
9. <u>Proportion of Population Decrease in Declining Local Authorities in the Region (%)</u>							
1966-1971	93.6	3.9	0.1	-	2.4	-	100.0
1971-1976	73.9	7.0	4.3	-	14.9	-	100.0

Table 23 (continued)

Item	Regions of the Sydney Sub-Region							TOTAL
	Central	Northern	Western	South Western	Southern	Gosford-Wyong		
10. <u>Largest Increase in Population of Any Local Authority</u> (,000)								
1966-1971 local authority	10.1 Randwick	35.1 Warringah	27.1 Parramatta	8.4 Campbelltown	17.5 Sutherland	13.6 Gosford	35.1 Warringah	
1971-1976 local authority	0.3 Drummoyne	13.0 Warringah	26.1 Blacktown	18.1 Campbelltown	5.1 Sutherland	17.0 Gosford	26.1 Blacktown	
11. <u>Largest Decrease in Population of Any Local Authority</u> (,000)								
1966-1971 local authority	8.9 Sydney	0.6 Willoughby	(..) Auburn	- -	0.5 Kogarah	- -	8.9 Sydney	
1971-1976 local authority	10.3 Sydney	2.6 Manly	2.6 Parramatta	- -	6.9 Bankstown	- -	10.3 Sydney	

Note: The symbol (..) indicates a population decrease of less than 50.

Source: ABS, 1971 *Census of Population and Housing*, Part 1, Bulletin 6; ABS (New South Wales), *Census of Population and Housing 1976* (Preliminary).

## 8. Conclusion

The preceding sections have outlined the main developments in the evolution of the present statutory planning system in New South Wales, and the proposed new planning system has also been analysed. In broad terms the main trends in this evolutionary process have been towards more decentralised decision-making, with increased responsibility given to local councils and regional bodies; an acceptance of the need to integrate local and regional policies within a State framework; and a greater emphasis placed on considerations of the natural environment.

One of the main problems facing the introduction of the new planning system is the specification of the roles, functions and composition of regional planning authorities. Until this problem is resolved, little can be done to implement State and regional objectives at the local level.

While the central planning authority in New South Wales (The Planning and Environment Commission) intends to develop a regional planning policy for the whole of the State, to date most of its work has been in the Sydney sub-region, its involvement in the country regions being primarily in the two declared regional growth centres of Bathurst-Orange and Albury-Wodonga. Given that 63 per cent of the population of New South Wales lives in the Sydney sub-region, this preoccupation with environmental planning and the building of new cities in this area is, of course, understandable. The urban centre of Sydney is sprawling in a general south-west, west, north-west and north direction, and an effective control of this development is required to ensure that the future quality of the urban environment is the best that modern technology can achieve. The intention to build a series of system-cities, such as Campbelltown-Camden-Appin (Macarthur) and Gosford-Wyong, is in line with this objective. These proposed new cities are in the corridors of existing development, and the policy measures are not concerned with how to attract population to the new cities (as in the case of the regional growth centres) but how to accommodate the population that will almost inevitably be attracted to those areas in the future.

## VI STATUTORY PLANNING IN VICTORIA

Statutory town and country planning was introduced in Victoria in 1944 with the passing of the *Town and Country Planning Act*, which led to the establishment of the Town and Country Planning Board in 1946. As outlined above in Chapter II the Board was given administrative authority over all municipal town planning schemes. In addition the Board was required to report to the Minister on prescribed planning matters, and was to prepare planning schemes for the guidance and control of the development of areas considered to be of national or State significance, especially areas of great scenic beauty (e.g. the south-western coastline) and areas which contained natural resources of economic importance (e.g. the Latrobe Valley).

The 1944 Act was substantially amended in 1961, and the amended Act together with the *Local Government Act* 1958 then prescribed the regulations for the preparation of planning schemes and for the uniform control of buildings throughout Victoria. In general terms, however, the administration of the provisions of these Acts was a function of local government authorities.

### 1. Recent Legislation

In May 1966 the Minister for Local Government requested the Town and Country Planning Board and the Melbourne and Metropolitan Board of Works to undertake a review of planning policy in Victoria, with particular emphasis on how to reshape urban planning policy to meet the needs of the expected future patterns of metropolitan population growth, and on how to implement planning within a Statewide framework. This request set off a chain of events which it is said "dramatically altered the organisation of and approach to planning in Victoria".<sup>1</sup>

The reviews requested by the Minister for Local Government were presented in June and July of 1967, and were followed by two major decisions. First, the structure and organisation of planning were considerably altered by legislative changes made in 1968; and second, the "corridor plan" emerged as the future pattern of growth for the metropolitan area.

The legislative changes were contained in the *Town and Country Planning (Amendment) Act* 1968 and the *Town and Country Planning (Appeals Tribunal) Act* 1969. The main objectives of these Acts were to:

- (i) increase the size of the Town and Country Planning Board and to give the Board the functions of promoting and co-ordinating planning throughout the State, and of preparing and issuing Statements of Planning Policy;

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<sup>1</sup>Town and Country Planning Board, *Review of Report by Melbourne and Metropolitan Board of Works*, Melbourne, March 1974, p. 5.

- (ii) establish a State Planning Council with the functions of co-ordinating planning of future works by State instrumentalities and semi-government authorities, and of acting as the consultant and adviser to the Town and Country Planning Board in the preparation of statements of planning policy;
- (iii) establish a Town Planning Appeals Tribunal to hear appeals against the decision of a planning authority;
- (iv) establish regional planning authorities within the context of a new three tier structure of strategic, regional and local planning;
- (v) extend the metropolitan planning area (to about three times its previous size) and define the relationships between the Melbourne and Metropolitan Board of Works (the planning authority for the metropolitan area) and the local councils within that area.

Prior to the 1968 amending legislation the main functions of the Town and Country Planning Board had been the preparation of planning schemes for specified areas, reviewing and reporting on planning schemes, and advising the Minister on planning matters. The 1968 legislation gave the Board a broad strategic planning function encompassing the promotion and co-ordination of planning through the State, the preparation and issue of planning policy statements, and the convening of the State Planning Council.

The strategic planning function of the Town and Country Planning Board is based on the need to co-ordinate planning at the State level, primarily through the issue of statements of planning policy. These statements of policy are prepared in consultation with the State Planning Council which was formed in 1968 (since 1976 the State Co-ordination Council). As noted above this Council was to achieve co-ordination among the decisions of State Government departments and instrumentalities, and initially its membership consisted of the heads of 12 Government departments and semi-government instrumentalities, under the chairmanship of the Chairman of the Town and Country Planning Board. Statements of planning policy are intended to give planning authorities a pre-determined, co-ordinated outline of the State Government's policy in the field of physical planning, and so provide those authorities with a basis for formulating their own more detailed planning schemes. Initially planning policy statements were prepared for areas of Statewide significance, such as Western Port, Yarra River, Dandenong Ranges and the Mornington Peninsular.

The 1968 Act also provides for the formation of regional planning authorities with the functions of preparing plans for a particular area which extends beyond the boundaries of one municipality, and of being responsible for any interim development order or planning scheme operative in the region. Within this area the regional planning authority is given the power to carry out and enforce planning schemes, but plans prepared by regional authorities must conform to any statements of planning policy that apply to their planning areas. The members of a regional planning authority comprise a representative from each municipality in the region and other approved qualified persons. The regional planning authority is a body corporate with power to acquire and dispose of land, and is financed by contributions

from the municipalities in the region. The existing Melbourne and Metropolitan Board of Works is, of course, a regional planning authority with responsibility for the metropolitan region. Regional planning authorities or committees have also been established for the Western Port, Geelong, Loddon-Campaspe, Upper Yarra Valley-Dandenongs and East Gippsland regions.

The third component of physical planning, consisting of the smallest spatial area, is local planning, which is concerned with planning within one municipality. Where the municipality is within a region where a regional planning authority exists, local planning also includes the execution of regional plans insofar as they apply to that particular local government area.

In 1973 important new legislation, the *Ministry for Planning Act* and the *Development Areas Act*, was passed. The former Act established the Ministry for Planning with the broad functions of forming and/or servicing regional planning authorities, the Victorian Urban Land Council, the Historic Buildings Preservation Council, the Residential Land Development Committee, and the Development Approval Committee. In addition the Ministry also has functions concerned with the restructuring of old and inappropriate subdivisions. The *Development Areas Act* provides that any part of Victoria may be declared a *Designated Area* either when it is considered to be suitable for accelerated development, or when it appears that the development of that part of the State should be controlled. Designated Areas are prescribed by an order of the Governor in Council, but any order declaring an area to be designated ceases to have effect two years after the publication of the order. Additionally a part of the State considered either suitable for accelerated development or requiring controlled development may be defined as an *Investigation Area*, in which case the Town and Country Planning Board is to prepare a report on that area. In preparing this report the Board must take account of such factors as any statements of planning policy applicable to the area in question; any recommendations made by Government departments, semi-government instrumentalities, local government councils or other responsible authorities; and the desirability of conserving or enhancing any environmental feature or features within the Investigation Area, including any areas or buildings of historic, scientific or other interest.

When the report of the Board recommends that the Investigation Area, in whole or in part, is suitable for accelerated development or requires controlled development, the report must state the nature of existing land uses in the area; indicate the general nature of the proposed development, including major construction works; list the facilities and amenities necessary to service the proposed development; identify any new residential areas; and analyse any problems associated with development within the designated area.

## 2. The Planning System

Physical planning in Victoria is the responsibility of six organisations - the Town and Country Planning Board, the State Co-ordination Council (formerly the State Planning Council), the Melbourne

and Metropolitan Board of Works, other regional planning authorities, local government councils, and the Town Planning Appeals Tribunal. These organisations operate at three levels of planning - State, regional and local - and are concerned with three similar kinds of plans. At the State level, there is the *Statement of Planning Policy* prepared by the Town and Country Planning Board in consultation with the State Co-ordination Council. These Statements are general in nature, giving broad directives on government policy to physical planning authorities, and providing those authorities with a basis for the formulation of detailed regional and local planning proposals.

At both the regional and the local levels there is the *Planning Scheme*, normally prepared by regional or local government authorities. A planning scheme, which must be based on any planning policy statement applicable to the region or local government area, is a detailed planning proposal, including such elements as zoning requirements and land use controls, applicable to several local government areas (region) or to one local government area. A planning scheme is generally limited to physical planning requirements, although provision can be made for such elements as the conservation of prescribed parts of the region or area or of certain buildings of historic or scientific interest. In some cases the Town and Country Planning Board may also prepare local or regional planning schemes.

The planning system is based on the principle that, through Statements of Planning Policy, general directives on Government policy are transmitted for implementation by the responsible planning authority. The nature and objectives of these Statements of Planning Policy are discussed below. The responsible planning authority may be a local government council, a regional planning authority (in the case of the metropolitan area this is the Melbourne and Metropolitan Board of Works) or in some cases the Town and Country Planning Board itself. Planning schemes prepared by these authorities take the form of zoning plans and land use controls for the whole or part of a municipality or for a number of municipalities combined, and they are generally limited in scope to physical elements. The Town and Country Planning Board prepares planning schemes in cases where special areas or projects are considered to be of State or national importance, or where the local authority has neither the resources nor the expertise to do so.

Statements of Planning Policy are prepared by the Town and Country Planning Board in consultation with the State Co-ordination Council. Draft copies of the Statements are referred for comments and suggestions to all authorities likely to be affected. The final statement is then referred to the Minister for approval and adoption.

Within the framework of existing Statements of Planning Policy, the responsible authority may prepare a planning scheme, although Statements of Planning Policy do not, as yet, cover all areas in Victoria. The scheme is composed of two parts, an ordinance and a series of maps. The ordinance is a written document setting out in detail what is permitted, the purposes for which land in a zone or reservation may be used, the conditions attached to that use, the uses which require a permit, and any provisions relating to existing uses, demolition and any other special requirements. The maps show how

the various land uses have been allocated.

Before being submitted to the Minister for approval a scheme (the ordinance and the maps) is placed on public exhibition for three months. During this period the public may lodge objections, or submit comments and suggestions to the responsible authority. Following the exhibition period the responsible authority considers all the comments, suggestions and objections. The scheme is then adopted with or without modifications or alterations brought about through the consultative process. The scheme is then submitted to the Minister for Planning together with a copy of all the objections. The responsible authority must also submit a report on the scheme, covering such aspects as the details of the planning area (history, physical characteristics, growth characteristics, tourism, and existing land use), the objectives of the scheme, details of the scheme, and a financial statement. The financial statement must indicate the cost of acquiring land, the responsibility for land acquisition costs, and how the authority proposes to finance the acquisition costs for which it is responsible.

In cases where the scheme has been prepared by an authority other than the Town and Country Planning Board, that Board is required to submit a report on the scheme to the Minister. The Minister then considers the scheme, the objections, and the Board's report before giving his approval. If the changes to the original proposal are extensive a further period of exhibition may be required.

Once a scheme is approved it must be complied with by all parties, including the responsible authority. A scheme can be varied by the preparation of an amending scheme but this must also go through the process described above. While a scheme is being prepared or is in the process of being approved the responsible authority can obtain an Interim Development Order to cover the planning area.

Under the *Town and Country Planning (Appeals Tribunal) Act 1969* any person may appeal against the decision of a responsible authority. The appeals are heard by the Town Planning Appeals Tribunal, an independent body consisting of a panel of three members - a barrister or solicitor, an experienced town planner and a third member experienced in public administration, commerce or industry. The Tribunal considers the submissions of both the appellant and the planning authority, and in some cases may visit the site in question. The decision of the Tribunal is final and binding.

### 3. The Town and Country Planning Board

The Town and Country Planning Board, which was established in 1946, has the overall responsibility of promoting and co-ordinating town and country planning throughout Victoria by undertaking the following functions: preparing Statements of Planning Policy; liaising with and supplying services to regional planning authorities; advising the Minister on planning matters; carrying out studies and making reports to the Minister on any Investigation Areas declared under the *Development Areas Act 1973*; reviewing and reporting on planning schemes

submitted by other authorities for approval by the Minister; and preparing planning schemes for areas or projects of State-wide significance, where the local authority concerned does not have the resources to prepare a planning scheme.

The first three functions listed above are strategic planning functions of the Board; the next two may be either strategic or statutory; and the last two are statutory. The most important of these functions are examined in more detail below.

(a) *Statements of planning policy.* Statements of Planning Policy, which are prepared by the Board in consultation with the State Co-ordination Council, are indications of the broad aims of State Government policy with respect to the future development of prescribed areas of the State or to particular matters related to physical planning. The Statements are broad policy objectives intended to give regional and local planning authorities a predetermined and co-ordinated outline of Government policy, and to serve as the basis for the formulation by these authorities of detailed planning schemes for their respective areas. All planning authorities when preparing or amending planning schemes must adhere to any approved Statement of Planning Policy which applies to its particular area.

The process of preparing Statements of Planning Policy has been gradually evolving since the first Statement was issued in 1969. To date the Statements have recognised six areas of planning concern:

- (i) conservation oriented in areas inside the Port Phillip District - the first four Statements (Nos. 1,2,3,4) are concerned with urgent measures to regulate the direction of metropolitan expansion;
- (ii) issue oriented - the next two Statements (Nos. 5,6) reflect community attitudes to highway (freeway) and aerodrome development;
- (iii) growth centre oriented - Statement No. 7 is concerned with promoting Geelong as a major urban alternative to the Melbourne area;
- (iv) conservation oriented in areas outside the Port Phillip District - three Statements (Nos. 8,9,10) are intended to regulate recreation and urban-overspill from the metropolis into neighbouring areas;
- (v) review oriented - four Statements previously issued (Nos. 1, 2,3,4) have been reviewed with the purpose of clarifying and strengthening policies already adopted;
- (vi) urban oriented - the last Statement issued to date (No. 10) is directed at metropolitan planning to formalise strategic planning policies announced by the Victorian Government in 1974 and 1975.

Statements Nos. 1 to 7 were issued and adopted by 1973, and since then Statements Nos. 8 and 9 and the review of Statements Nos. 1 and 2 have also been adopted. The remaining two reviews and two Statements of Policy have not yet been finally approved and adopted.

In the case of the urban oriented statement, the Board sees the need, given the increased community awareness of planning programs, to

undertake more research into planning matters than previously, and to widen and intensify the consultative process preceding the preparation of Statements of Planning Policy. These consultative and participation processes, which have gradually expanded since 1969, will extend to government departments, local government authorities and community organisations. All of these bodies will be encouraged to submit further information and views to the Board, and to discuss policy issues with it.

(b) *Regional planning.* A second aspect of the Board's strategic planning function is the promotion and co-ordination of regional planning throughout the State of Victoria. The Board was given this function in the *Town and Country Planning (Amendment) Act 1968*, which provides for a regional planning authority to be established to prepare a planning scheme for any specified area extending beyond the boundaries of a single local government authority. Such a regional planning authority is to be responsible for the investigation of, and broad planning for, the use of the region's resources for the purposes of conservation, recreation and tourism, farming and mineral extraction, and for evolving regional policies for the distribution of employment and the maintenance of amenity and efficiency.

As mentioned previously in Chapter V, the Victorian Government in 1973 expanded its decentralisation and State development programs by dividing the State into regions and establishing the Victorian Development Corporation. At the same time regional planning authorities and regional planning committees were established, where there was a need and local communities were in favour, to replace disbanded regional committees set up previously under the Central Planning Authority. These new authorities and committees represent groupings of local authority councils formed within the system of regions defined in 1973. These new regional organisations are discussed below in Section 6.

(c) *Regional and strategic studies.* As part of its function of promoting regional planning throughout the State the Board has undertaken a number of strategic and regional studies. At the State (strategic planning) level these studies can be grouped into three basic programs. The *first program* is aimed at an evaluation of resources outside the Port Phillip district. These studies are intended to provide a framework for assessing the present and future roles of various sectors in the development of the State. Four sectors have been defined radiating from the Port Phillip district towards the north-east, north-west, south-east and south-west. The studies completed to date have collected information concerning population and workforce characteristics (growth, distribution and composition), physical resources (physiography, climate, water, soil, vegetation and fauna), and communications. The final report will entail an analysis of the reasons underlying present patterns of population change and resource utilisation throughout the State, and thereby provide a basis for prediction of future patterns of development.

The *second program* of strategic studies initially proposed was aimed at developing an overall plan for the Port Phillip district, which covers some 17,800 square kilometres and embraces metropolitan Melbourne, Geelong and Western Port. The studies envisaged included

a survey of existing resources within a particular area and an analysis of the ways in which these resources were being exploited. This would be followed by an assessment of the affects of expected future changes on resource use in the area. The objectives of such studies were to produce an overall plan to:

- (i) permit the long-range reservation and acquisition of land for public undertakings (water and power supply, waste disposal, transport and institutions);
- (ii) conserve economic and physical resources;
- (iii) provide a broad pattern of the location of future urban settlements to serve as a guide to the private sector; and
- (iv) provide a framework of the major components of urban settlement as a guide to authorities responsible for land planning and related functions.

The types of studies which have been completed under the second program relate to the services structure within the district, and examine such things as the extent, pattern, control, invested value and annual operating costs of services. Reports submitted have dealt with the supply, transportation and distribution of gas, water supply, sewerage and drainage. However, it appears that the original intention to produce an overall plan for the Port Phillip district is not now being proceeded with.

The *third program* is known as the "economic studies" and this program involves an analysis of the main features of the national and State economies to identify the macroeconomic influences on the rate and pattern of physical development at the district level. This program is proceeding as part of the Town and Country Planning Board's regional studies program.

(d) *Investigation and designated areas.* By the provisions of the *Development Areas Act* discussed above in Section 1, the Board is required to undertake studies and produce reports for all parts of the State which are declared Investigation Areas under the Act. Depending on the results of the studies of these Investigation Areas they could then be declared Designated Areas.

By June 1975 thirteen Investigation Areas had been declared, most to the north-east and south-east of Melbourne. The Investigation Areas were mainly within the regions under the planning control of the Melbourne and Metropolitan Board of Works and the regional authorities of Western Port and Geelong. Some parts of these regions - in the Barrabool, Corio, South Barwon, Phillip Island and Mornington Peninsular areas - were declared Designated Areas in the first instance, and the Board was not required to prepare reports on these areas.

The Board has prepared Reports for most of these Investigation Areas, and as a result of some of the earliest reports the Minister for Planning at the end of 1974 recommended that two of these Areas, Melton and Sunbury, be declared Designated Areas for the purposes of accelerated growth, the two towns to be developed as satellite townships separated from, but having strong links with, the Melbourne metropolitan area. This satellite city program is discussed below in Section 9.

(e) *Other studies.*

(i) *Albury-Wodonga.* The Town and Country Planning Board has been closely involved with the development of the Albury-Wodonga growth centre discussed in Part Two of this study. The Chairman of the Board plays an advisory role to the Minister for State Development and Decentralisation, and attends the meetings of the Ministerial Council. Officers of the Board have worked in co-operation with the Albury-Wodonga Development Corporation Staff in the preparation of the Interim Development Order for the principal designated area.

In addition, a representative of the Board has been appointed to the Albury-Wodonga Co-ordinating Group, which was established by the former State Planning Council. It is the task of this group to co-ordinate the planning of future developments by State instrumentalities and semi-government authorities. In this respect the Board works in conjunction with the Albury-Wodonga Development Corporation.

It is also the Board's responsibility to ensure that suitable planning proposals are developed by the local councils in the peripheral towns.

(ii) *Urban renewal.* As part of its overall responsibility for co-ordination of planning, the Board has the task of commenting on proposals of authorities concerning areas for urban renewal. The process for such proposals has two stages. The first, an opinion stage, is where the responsible urban renewal authority offers an opinion, for comment, that an area is suitable and ready for renewal. In the second or proposal stage a more detailed plan for renewal is prepared for further comment, after the initial opinion has been accepted. The Town and Country Planning Board is mainly involved in the first stage, commenting on the opinion given by the responsible urban renewal authority. The Board's comments and report are considered by the Minister when deciding whether the subsequent proposal is to be approved or not. To date it appears that the Board's work in this field has been relatively minor.

(iii) *Other.* The Board has also been involved in co-operative studies with Commonwealth Government agencies, principally the former Cities Commission and Department of Urban and Regional Development. Apart from the Albury-Wodonga project, these studies have been mainly concerned with the Geelong (Barwon) and Central Highlands/Loddon-Campaspe regions.

The Board has become increasingly aware of the need to preserve the natural environment, and environmental studies have been undertaken for the Victorian coastline, the Gippsland Lakes and the Albury-Wodonga area. In this sense the Board is contributing to the broader aims of the Ministry for Conservation mentioned below. The objective of these environmental studies is to ensure that environmental matters receive consideration in the preparation of both Statements of Planning Policy and regional and local planning schemes. The studies cover a range of aspects such as access, pollution control, tourism, landscaping, the preservation of natural areas, and the maintenance of cultural identity and historical associations.

(f) *The Board's statutory planning role.* In addition to its role in the area of strategic planning a considerable part of the Board's resources is devoted to statutory (or schematic) planning. The Board prepares planning schemes for areas which are considered of State or national importance, or for areas where the local authority does not have the necessary resources. In this respect it becomes the responsible planning authority and operates in much the same manner as a local council or regional planning authority. Any planning schemes prepared by the Board are subject to the statutory process outlined in Section 2.

The Board must also report to the Minister on all planning schemes drawn up by other regional planning or local government authorities.

#### 4. The State Co-ordination Council

The State Co-ordination Council, established under the *State Co-ordination Council Act 1975*, was proclaimed in April 1976, and replaced its forerunner, the State Planning Council, which had been formed in October 1968 under the *Town and Country Planning (Amendment) Act 1968*.

The initial organisation, the State Planning Council, was a co-ordinating body composed of members from a number of Government departments and authorities concerned with planning - State Rivers and Water Supply Commission, Country Roads Board, State Electricity Commission, Victorian Railways Commission, Premier's Department, Public Works, Housing Commission, Melbourne and Metropolitan Board of Works, Conservation, Education, State Development and Decentralisation, Lands and the Town and Country Planning Board. The chairman of the Council was the chairman of the Town and Country Planning Board. The State Planning Council was given two broad functions:

- (i) To co-ordinate the planning by State instrumentalities and semi-government authorities of future works and developments. Each authority represented on the council was to be responsible for planning and the execution of plans in certain specified areas. By bringing representatives from these authorities together to discuss future planning proposals each authority was to become a participant in broad planning policy at the State Government level. This was intended to prevent inappropriate or conflicting planning proposals.
- (ii) To act as a consultant and advisor to the Town and Country Planning Board in the preparation of Statements of Planning Policy and planning schemes for certain areas.

After its inception the Council worked with the Town and Country Planning Board in its strategic planning role, inquiring into matters of State significance and making reports to the Minister. Its work included a study of the decentralisation of the activities of State Government departments in an attempt to rationalise the boundaries of regions used by Government departments and instrumentalities. The Council also took an active interest in the development and implementation of growth centre programs. In the Albury-Wodonga Area the State

Planning Council established a Co-ordinating Group, composed of senior representatives of Government departments having an interest in the region, for the purposes of providing a liaison between the Albury-Wodonga Development Corporation and State Government departments and instrumentalities in the Area, of ensuring consultation between the Development Corporation and State instrumentalities, and of trying to co-ordinate State works and services within the Area. Similar Groups were later established in Geelong and Melton-Sunbury.

The State Co-ordination Council, which replaced the State Planning Council on 13 April 1976, has a broader representative base of 37 members, with members from most State Government departments and instrumentalities. The statutory functions of the new Council are also much wider, the main ones being to advise on the likely effects of the adoption of major proposals or objectives as Government policy; to consider and report on priorities that should be established; to consider and advise on specific plans and projects in both the public and private sectors which involve the development and use of resources; to consider and advise on proposed statements of planning policy; to ensure effective co-ordination of the activities of all agencies participating in the achievement of the policies of the Government; to review the progress and performance in the achievement of objectives or projects which are material to the achievement of the policies of the Government; and to advise on particular policies and programs which will achieve the policies of the Government.

The new legislation transferred the State Co-ordination Council to the Premier's Department, and made the Premier the responsible Minister to whom it should report or give advice. At its first meeting, the Council elected the Secretary of the Premier's Department as its Chairman, and the State Co-ordinator of Works as its Deputy Chairman.

In carrying out its functions the State Co-ordination Council is required to consider major policy issues, projects involving the use and development of significant or scarce resources, and the need for co-ordination in respect of these matters. It must also give particular consideration to the effects of these matters on the physical, economic, social and environmental situation in Victoria. The Council therefore has broader-based functions than the State Planning Council which it replaced, as the latter Council was more concerned with physical planning matters.

In order to carry out its activities, the State Co-ordination Council has been divided into four groups:

- (i) The Policy and Priority Review Group, which acts as the co-ordinating unit of the Council and, among other things, as a direct link between the Council and the Town and Country Planning Board for the purposes of preparing Statements of Planning Policy;
- (ii) Natural Resources Group;
- (iii) Social Resources Group;
- (iv) Works, Services and Development Group.

Provision has been made in the Act for the establishment of Regional Co-ordinating Groups, Special Task Groups, and a Community Advisers panel.

The *Regional Co-ordinating Groups* are seen by the State Co-ordination Council as one means of ensuring effective co-ordination of the activities of all agencies and organisations participating in the achievement of the policies of the State Government. Among other things, the Groups are intended to provide a co-ordinating mechanism at the operating level for specific regions of the State. The general purposes of the Regional Co-ordinating Groups in relation to any development or regional authority are as follows:

(i) *Purposes of Groups.* The specific purpose of each Group, in relation to the corresponding development or regional authority, is to supply specialist advice through individual members of the Group in matters of works and services; to provide a convenient means for direct liaison with State agencies in matters of works and services; to assist in the co-ordination of planning and implementation of related works and services in the areas concerned; and to promote a greater mutual interest and a more cohesive effort through the combined reviewing, at the operational level, of the interaction of programs of all agencies concerned.

(ii) *Operation of Groups.* As a whole each Group is responsible to the State Co-ordination Council for ensuring that the respective development agency is properly served in matters of specialist advice, liaison, and in the co-ordination of State works and services in relation to the particular development area or region. Additionally each Group must report quarterly to the Council on progress and, as required, on any other particular matters. Each Group meets as required, for matters of general co-ordination, and meetings with representatives of the development agency are also held for overall briefing and consultation in interrelated matters.

(iii) *Individual role of members of each Group.* Members of each Group, in their individual roles, supply specialist advice to the development corporation, and provide the direct and continuing liaison between their respective agency and the corporation. Members also normally report to their respective agencies in their own particular field.

Regional Co-ordinating Groups have been established for the Geelong, Melton-Sunbury, Albury-Wodonga and Western Port areas, the Groups in the first three areas continuing organisations previously established there by the former State Planning Council. The Groups are significant in providing a major link in these regions in the overall policy formation, decision making, and implementation processes at the regional level in Victoria.

*Special Task Groups* have also been established from time to time by the State Co-ordination Council with the purpose of undertaking special tasks of investigation, review, co-ordination or guidance in relation to specific matters. The life of such Groups, which are seen as non-permanent bodies, varies according to the needs of the specific task. Their membership also varies, although it usually includes representatives from government agencies, and brings together the specialist skills needed to undertake the particular task. Examples of matters dealt with by Special Task Groups include: waste water disposal in the Western Port Catchment, airports planning in the Port

Phillip district, the co-ordination of health and welfare, liquid wastes disposal, and the co-ordination of forecasting.

The value of the Special Task Groups approach to regional planning and development is seen particularly in the last task mentioned above, the co-ordination of forecasting. The formation of a Special Task Group provides a common basis for assumptions, assists in the development of cross-sector policies, eliminates unnecessary duplication, and establishes the common base from which to develop multi-level government policies.

In its general operations the State Co-ordination Council is serviced by a Support Staff which operates under a Director. This Support Staff provides the permanent secretariat to meet the administrative requirements of the Council and service its groups. Additionally, through Specialist Support Staff seconded to the Council from other agencies, the Support Staff undertakes technical and research projects for the Council and implements its decisions.

## 5. Melbourne and Metropolitan Board of Works

The Melbourne and Metropolitan Board of Works was constituted before federation by Act of Parliament in 1890, and began operations in the following year. Initially the Board's functions were to provide a sewerage system for the city of Melbourne and the metropolitan area, and to be responsible for the water supply of the city. Since its incorporation the Board has had its functions expanded to include main drainage, rivers and watercourses, parks and town planning in its area of responsibility. Its current revenue is obtained by levying four kinds of rates annually - water rate, general rate (for sewerage services), drainage and river improvement rate, and improvement rate (mainly to finance town planning expenditure). Capital expenditure is financed by borrowing, and for these purposes the Board is treated as a semi-governmental authority by the Australian Loan Council.

The major expansion of the Board's activities with respect to town planning in the metropolitan region occurred in 1954 after the publication of its *Melbourne and Metropolitan Planning Scheme Report*, the Board being made responsible for the implementation of the scheme and given the power to levy a metropolitan improvement rate on properties in the area. At that time the area for which the Board was responsible contained about 1800 square kilometres, roughly determined by an arc of nearly 25 kilometre radius from the Melbourne city centre, extending to include a strip along the eastern foreshore of Port Phillip Bay to Frankston. At that time the planning area included a considerable quantity of open land then used for farming. This open land was to provide the basis for subsequent urban development with growth proceeding peripherally from the existing built-up areas.

In 1955 a series of interim development orders were approved, giving the Board control of land use in accordance with the proposals of the 1954 scheme. The planning scheme was exhibited and some four thousand objections were lodged. The scheme, with amendments, was finally submitted to the Minister in 1959, although another nine years

were to pass before it received Government approval. Much of this delay was due to the fact that in the early and mid-1960s the Board and the State Government became more aware of the social problems being created by the ways in which urban sprawl were adversely affecting areas of significance for conservation, and generating unacceptable levels of pollution. Further growth by the process of sprawl was also creating problems for urban transportation<sup>2</sup> and the provision of public utility services.

In 1967 the Melbourne and Metropolitan Board of Works and the Town and Country Planning Board submitted reports to the State Government on planning and administration of the Melbourne-Geelong-Yallourn complex to the year 2000, by which time the population of this area, based on the Borrie and Spencer projection of 1964, was expected to be within the range of 4.9 to 5.6 million. In these reports three spatial patterns of expansion were considered - controlled outward or peripheral growth, satellite towns, and corridors of development. In the following year the State Government accepted the concept of growth corridors, which meant that Melbourne's future growth would occur primarily along general axes or spines defined by the principal rail and road routes radiating from the centre of Melbourne. In this way growth would correspond to a radial pattern, perhaps with one or two satellite towns developed in the corridors. The corridors would be separated by open country, non-urban tracts of land (green or non-urban wedges). These wedges would be areas of conservation and landscape significance, forests, water catchment areas, animal and bird habitats, and major agricultural areas. This corridor-green wedge concept represented a significant change from the former peripheral expansion pattern of sprawling urban growth. This planning scheme was approved in 1968 and at the same time the planning area under the control of the Board of Works was extended from 1800 square kilometres to 5000 square kilometres.

Since the approval of the original metropolitan Melbourne planning scheme, the work of the Board has been concerned with implementing the scheme and continuously updating it. In 1971 the Board submitted a new report, *Planning Policies for the Melbourne Metropolitan Region*. This report proposed and defined the urban corridors, the green wedges of open country, and outlined the long term policies to be followed. It was placed on public exhibition and was subjected to a number of criticisms. The first was that it was not based on adequate research and study relating to the overall management of metropolitan development. The report was also said not to have analysed the importance of the Central Business District sufficiently, although the plan focused on the CBD as the main metropolitan centre. A third criticism made was that the plan lacked social considerations and merely described geographical patterns. Finally, it was also criticised for relying too heavily on the statutory process to the exclusion of other considerations such as promotion schemes, local action plans, financial involvement, and management techniques.

The Town and Country Planning Board in reviewing the general

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<sup>2</sup>This problem led the Government to establish the Metropolitan Transportation Committee in 1963.

concepts of the scheme made several comments;

- (i) The system of lodging objections to a statutory scheme and the formal setting in which these objections are heard would do little to promote public interest and the discussion of plans. The Board felt that informal explanations of the various strategies prior to the preparation of zoning maps would be preferable.
- (ii) Planning for the Melbourne area had been hampered by a lack of Government policy directives, especially with respect to decentralisation and hence to the future size of Melbourne.
- (iii) Although the present CBD would remain the prime centre for the region some consideration should be given to the development of other commercial centres.
- (iv) A greater emphasis should be placed on management techniques rather than statutory zoning. The Town and Country Planning Board identified two aspects of regional management - State strategies needed to provide a framework within which the planning authorities could operate; and the sheer size of the task of developing, implementing and continuously updating a planning system for the metropolitan region had implications for the entire structure and organisation of planning. Because planning must be accompanied by extensive studies and research, and involve an extensive range of public agencies, specific means of co-ordination and collaboration must be developed.

## 6. Other Regional Planning Authorities

Since the enactment of the *Town and Country Planning (Amendment) Act* 1968 four new regional planning authorities (RPA) and one regional planning committee have been established in the Western Port, Geelong, Loddon-Campaspe, Upper Yarra Valley-Dandenongs, and East Gippsland regions. The 1968 Act provided that an Order of the Governor in Council could establish a RPA for a specified area extending beyond the boundaries of any one municipal district, for the purposes of preparing and submitting for approval a planning scheme for the whole or part of the area specified. The RPA was also to be given the power to enforce and carry out that planning scheme, and could become the sole authority responsible for any interim development order or planning scheme in operation at the time the RPA was established.

The membership of the RPA was to consist of councillors representing every municipality whose district in whole or in part was within the area of the proposed planning scheme, and of such other qualified persons approved by a majority of the councillors. The RPA was to be a body corporate, with powers to purchase, sell, lease, take on lease, exchange or otherwise dispose of land and property for the purposes for which it was established.

Each municipality wholly or partly within a regional planning area was to contribute moneys to the RPA, the moneys to be raised by the councils by levying a special rate upon all ratable property within the planning area. The Act specified that the contribution by the

councils would be the lesser of either (i) 1.5 cents in the dollar on the net annual value of all ratable property within the planning area, or (ii) a proportion of the estimated expenditure of the RPA determined by the ratio of the net annual value of the ratable property of the municipality within the planning area to the aggregate net annual value of all ratable property within the planning area. The RPA was also given power to borrow money with the consent of the Governor in Council, for which purposes the authority would be treated as if it were a municipal council for the provisions of the *Local Government Act*.

However, as noted below, the newest RPA established in the Upper Yarra Valley-Dandenongs area has been constituted by a special Act and some features of its constitution and functions differ from those described above. Also the original Geelong Regional Planning Authority has been replaced by the Geelong Regional Commission, which has also been constituted by special Act of Parliament.

(i) *The Western Port Regional Planning Authority*

This Authority was established in February 1969 and is responsible for an area of 1650 square kilometres including the shires of Flinders, Hastings, Mornington, Phillip Island and the parish of French Island, that part of Cranbourne outside the extended metropolitan planning area, and part of Bass. Each municipality is represented by two members, except for French Island which is unincorporated.

The Authority employs a small staff of professional officers headed by a director. To perform its statutory function of preparing and submitting a planning scheme for the region the Authority has undertaken a number of studies and appointed four technical committees - Industrial Development, Tourism and Recreation, Conservation, and Pollution - to advise it on methods of maintaining a balanced environment. By June 1975 all areas within the region were covered by approved planning schemes or by interim development controls.

In preparing a planning scheme the Authority has to follow the directives set down in the Town and Country Planning Board's Statements of Planning Policy Numbers 1 and 2. Statement Number 1 (Western Port) provides the guidelines for the expected port and industrial development of the area. While recognising the suitability of a deep water channel and extensive industrial and port development leading to a heavy industrial complex in the area, the Statement at the same time stresses the need to conserve the natural character of the adjoining areas and to control pollution. To control emissions, wastes and noise, stringent conditions apply to the issue of industrial permits for the area.

Statement of Planning Policy Number 2 (Mornington Peninsular) recognises the recreational and tourist potential of the Mornington Peninsular for the population of Melbourne, and sets guidelines for the preservation and conservation of the resources of the area.

(ii) *The Geelong Regional Planning Authority*

This Authority was established in April 1969 and remained in

existence until 1977 when it was replaced by the Geelong Regional Commission, a change foreshadowed after the declaration of Geelong as a growth centre in 1974. This aspect is discussed below in Section 7. The Geelong area is part of the Barwon Region described above in Chapter V.

(iii) *The Loddon-Campaspe Regional Planning Authority*

This is the first RPA to have been established after the adoption of the new regional approach in 1973. Unlike the Western Port and Geelong Authorities, the Loddon-Campaspe Regional Planning Authority oversees planning for the entire region. The Authority was set up in September 1973, but membership for the 27 municipalities in the region was made voluntary. To date 19 municipalities have joined the Authority and another has applied for membership. As noted above in Chapter V (Table 16) the Loddon-Campaspe Region had a population at the 1976 Census of 135,000, and the regional capital is the city of Bendigo, with smaller urban centres of Castlemaine, Echuca and Maryborough also in the region.

The main work undertaken by the Authority, through the activities of its Technical Advisory Committees, has been concerned with the need to define objectives on resource use as a prelude to identifying the most appropriate policy measures. Research is being carried out in five major areas - water resources, rural land use, conservation, population and community facilities, and economic structure and communications. Policy statements in each of these areas will be prepared as the basis for a regional strategy plan. During 1976 attention was given mainly to conservation features, water resources and rural land use.<sup>3</sup>

(iv) *Upper Yarra Valley-Dandenongs Regional Authority*

The Yarra Valley and the Dandenong Ranges, in the Melbourne Region, have long been recognised as significant conservation areas, and Statements of Planning Policy were issued in 1971 for both areas. With respect to the Yarra River and its environs the Statement indicated that the area will be planned primarily as open space for conservation and recreation, with some provision for primary production and forestry. Account will also be taken of the potential of the area for water catchment purposes. The Dandenong Ranges are identified as an area of State significance for nature conservation, recreation and tourism. Development will be designed to maintain the conservation value of the area, minimise fire hazards and pollution of waterways, and discourage urban development on a scale which may prejudice the planning objectives.

The Upper Yarra Valley-Dandenongs area has for some years been considered appropriate for the establishment of a RPA, except that the need to include authorities other than local government was recognised,

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<sup>3</sup>See Loddon-Campaspe Regional Planning Authority, *Progress Report. Number Two: November 1975-September 1976*, Government Printer, Melbourne; and *Rural Land Use in the Loddon-Campaspe Region*. (A discussion paper on issues and options).

given that the area was already part of the region under the control of the Melbourne and Metropolitan Board of Works. The intention to establish a RPA for the Upper Yarra Valley-Dandenongs area was first announced in June 1974, and the formation of the authority was seen as one of the major tasks of the Ministry for Planning which had been created in 1973.

The Upper Yarra Valley-Dandenongs Regional Authority was established by the *Upper Yarra Valley-Dandenongs Act* as the planning authority for an area comprising the shires of Lillydale and Sherbrooke, and parts of the shires of Upper Yarra and Healesville. The membership of the RPA consists of 2 members from each local council, and 1 member each from the Melbourne and Metropolitan Board of Works, the Ministry for Conservation and the Forests Commission. Primary producers in the area and social and community groups were requested to submit names of prospective members to the Ministry for Planning which then selected a panel of representatives for these groups. The newest RPA differs from the older authorities in that it will not be concerned with detailed planning, but will prepare a broad strategy plan for the region, with detailed planning being left to the municipal councils. Also with previous RPAs permits for land development were required from both the authority and the municipal council. However, the Act establishing the new authority makes it necessary to obtain a permit only from the council, although projects of regional significance must first be referred to the RPA for its recommendation before a permit is granted by the municipal council. Ministerial statements indicate that the strategic approach is to be adopted for all other regional planning authorities in Victoria, and that appropriate legislation is being drafted to achieve this.

(v) *The East Gippsland Regional Planning Committee*

Unlike the four regional authorities discussed above which are statutory bodies, the East Gippsland Regional Planning Committee is a provisional authority with non-statutory status. The region contains eight local authorities (with part of the Municipal District of Rosedale, which for regional purposes is divided between the Central Gippsland and East Gippsland Regions). The main urban centres are Sale and Bairnsdale. In 1976 the region had a population of over 51,000, and has grown in recent years because of the development of the Bass Strait natural gas and oil fields. The Committee has prepared an interim planning statement, which is seen as the first step in the eventual preparation of a regional plan. The interim statement sets out broad planning principles and objectives and provides a brief for further action.<sup>4</sup> It is anticipated that the Committee will become a regional planning authority in the future.

The Town and Country Planning Board has also been concerned about development in this region, particularly with respect to the

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<sup>4</sup>See East Gippsland Regional Planning Committee, *Interim Regional Planning Statement*, Government Printer, Melbourne, July 1975; and *Progress Report*, October 1976.

Gippsland Lakes and subdivision of land along the Ninety Mile Beach.<sup>5</sup>

(vi) *Central Gippsland Region*

Statement of Planning Policy Number 9 issued by the Town and Country Planning Board in 1975 deals with planning of land use and development in the Central Gippsland Region, for the purposes of the conservation and utilisation of the brown coal deposits of the region within the context of overall resource utilisation. Development is seen as requiring that the coal deposits will be protected to maintain their potential for extraction (e.g. by not permitting works of a permanent nature where brown coal deposits exist), with a planned urban centre growth complex in the Latrobe Valley (as outlined above in Chapter V). To achieve co-ordination of development the Town and Country Planning Board believes that a regional organisation should be established so that land use planning and environmental management are undertaken as an integrated process. This new RPA would complement the functions of the Department of State Development's Co-ordinating Committee and the Latrobe Valley Development Committee.

## 7. The Geelong Growth Centre

As noted in the preceding Section, the Geelong area was the second region in which a planning authority was established under the 1968 amendments to the *Town and Country Planning Act*. The Geelong Regional Planning Authority was formed in April 1969 as the responsible planning authority for an area of about 2500 square kilometres encompassing the nine local authorities of Geelong, Geelong West, Newtown, Bannockburn, Barrabool, Bellarine, Corio, South Barwon and Queenscliff. The Geelong Planning Region, as defined, is therefore a sub-region of the Barwon Region referred to in Table 16 in the preceding Chapter. In 1966 the population of this sub-region was 128,000, and this increased to 141,000 in 1971 and to 156,000 in 1976.

The local authorities in the sub-region, with respect to population growth, fall into two groups, those which are losing population, and those which are growing. First, there are the three local authorities governing the older central city areas of Geelong, and encompassing an area of only 24 square kilometres. In 1966 these three local authorities (Geelong, Geelong West and Newtown) had a combined population of 47,400 (or 37 per cent of the sub-region's population), but this population fell to 46,700 in 1971 (33 per cent of sub-region) and to 42,500 in 1976 (27 per cent of sub-region). The largest population increases in the second group of growing local authorities in the sub-region occurred in Bellarine, Corio and South Barwon, each of which had a population increase of about 10,000 over the decade from 1966 to 1976.

In 1973 the Town and Country Planning Board, in its Statement of Planning Policy Number 7, declared that a region centred on the urban centre of Geelong should be promoted and planned as a location for large scale urban growth, particularly to accommodate a greatly

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<sup>5</sup>See Town and Country Planning Board, *Gippsland Lakes: Planning Guidelines*; and *The Ninety Mile Beach: The Future of Existing Sub-divisions?*

increased proportion of the expected population growth in the Port Phillip district, a view also expressed by the Cities Commission in its 1973 Report.<sup>6</sup> The Statement declared that planning of this region should also include proposals to stimulate growth and to establish priorities for works by public authorities. This proposed development in the Geelong region was seen as relieving the pressure on the physical resources required to sustain the growth of urban Melbourne, and to promote growth away from the south-east portion of the metropolitan area. To implement this Planning Policy the Regional Planning Authority would be required to give special attention to:

- (i) the social, economic and natural resources of the region;
- (ii) the suitability and capacity of land for development, paying due regard to areas for nature conservation, recreation, water catchment, farming, mining, urban services, and social service requirements of the community;
- (iii) measures designed to encourage growth, including those intended to improve the attractiveness of Geelong as a growth centre, to achieve high standards of urban and rural environment development, to improve communications, to ensure that existing community services were not detrimentally affected by accelerated growth, and to provide a full range of social services necessary to stimulate urban growth in the region; and
- (iv) the implications of any measures introduced to regulate and improve the spatial pattern of distribution of population and economic activity within Victoria.

In September 1974 the Victorian Government announced that it would legislate to establish Geelong as the State's second Government-planned growth centre, with the existing Geelong Regional Planning Authority to be reformed to plan and develop Geelong as a metropolitan growth centre. At that time the Commonwealth Government agreed to work in conjunction with the Victorian Government in developing the centre, although it was decided by the two Governments that no additional growth centres would be established at that stage in Victoria. Although the Victorian Government had previously announced that the State's next university would be built in a country location, in fact the fourth university, Deakin University, was then declared for establishment in Geelong.

As compared with developments in the Albury-Wodonga Growth Centre Area, the implementation of growth centre programs in Geelong has proceeded rather slowly, and has been more affected in its specification by the change in Commonwealth Government policy following the December 1975 election. Thus it was not until 1977 that the Victorian Government finally enacted legislation to reshape the Geelong Regional Authority to make it conform to its wider functions of promoting and planning a growth centre. This legislation, the

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<sup>6</sup>Cities Commission, *A Recommended New Cities Programme for the Period 1973-1978*, ACPS, Canberra, 1974, p. 37. The Cities Commission saw the accelerated development of Geelong as a metropolitan growth centre as desirable and feasible provided both State and Commonwealth Governments co-operated to promote and finance its development.

*Geelong Regional Commission Act 1977* had been first introduced and passed in 1975 as the *Geelong Regional Authority Act*, but this Act was not proclaimed because of the uncertainty at that time regarding the degree of financial involvement of the Commonwealth Government.

The 1977 legislation differed in three main respects from the 1975 legislation. First, the principle of designating large areas of land for acquisition by the regional authority was removed from the new Act; second, the emphasis was shifted to land development for industrial and commercial uses for the purpose of creating job opportunities in the region; and third, the massive expenditure previously envisaged was seen as not being forthcoming from the Commonwealth Government, thereby restricting the scale of development proposed.

The 1977 legislation provided for the establishment of the Geelong Regional Commission, a corporate body consisting of five members appointed by the Governor in Council on the nomination of the Minister, and one councillor appointed by and from each municipal council within the Geelong region. In addition the Commission was given the power to appoint consultative committees, with the requirement that at least one Commission member be a member of each consultative committee.

For the purposes of the *Town and Country Planning Act* the Commission was defined as the responsible authority in the Geelong region (or any areas within the region) in respect of the submission for approval of any planning scheme or the making of any interim development order. More specifically the Commission was given the following powers:

- (i) to purchase and sell land in the region;
- (ii) to lease land for its own use;
- (iii) to exchange land in the Geelong region for other land in the region;
- (iv) to purchase or acquire Crown lands in the region;
- (v) to subdivide, re-subdivide and develop its own land for industrial, commercial and other business purposes, or to enter into arrangements with other persons for similar purposes;
- (vi) to enter into arrangements for residential development with the Housing Commission, the Decentralised Industry Housing Authority and the Teacher Housing Authority;
- (vii) to grant leases of land or licences to occupy land;
- (viii) to arrange with other persons to carry out works and improvements on and to land under its control;
- (ix) to maintain and manage land, and buildings and works on such land; and
- (x) to promote public interest in the development of the region.

The Commission was also given the power to enter into arrangements or agreements with a public authority or municipal council for that

authority or council to carry out any works or undertakings or to provide any services in the Geelong region. The Act also stipulates that the Commission, when it purchases or acquires any land other than for public purposes, shall pay rates on such land as an occupier until such time as it sells, transfers, leases or otherwise disposes of the land. However, for rating purposes the value of the land shall be taken as its value in use immediately preceding its purchase or acquisition by the Commission, and any improvements made after acquisition shall be ignored for rating purposes.

The Commission is also given authority to borrow money with the prior approval of the State Treasurer, provided that the total amount of borrowings shall not at any time exceed \$50 million. Additional funds for the Commission's activities are to come from annual contributions from the municipal councils in the region, normally equal to 0.75 cents in the dollar of the net annual value of all ratable property within the local authority area (or, if a lesser amount, a proportion of a total defined amount, the proportion being the ratio of the municipality's net annual value of its ratable property to the total net annual value of the ratable property of all municipalities in the region). The Commission may also receive moneys appropriated by Parliament for its purposes as specified by the Act, receive moneys by way of rent or the sale of land, or receive moneys from fees or the sale of publications.

No detailed plan for the future growth of Geelong has yet been issued, although a tentative State population distribution by the year 2000 has been suggested. This is shown in Table 24. To date a range of in-depth studies has been carried out by private consultants, government agencies, and the Geelong Regional Commission (including its predecessor the Geelong Regional Planning Authority). Considerations of policy development in this area have shown a tendency to accept the regional, rather than the spatial, approach described above, i.e. to develop policies appropriate for this particular region.

**Table 24. DISTRIBUTION OF VICTORIAN POPULATION  
BY GROWTH CENTRE AREAS**

Area	Actual Population ,000 30 June			Proposed Population ,000
	1966	1971	1976	2000
Melbourne	2259	2533	2638	4000
Geelong	128	141	156	400
Wodonga part of Albury-Wodonga	25	26	30	150
Other growth areas	197	201	210	} 750
Rest of Victoria	608	599	610	
<b>TOTAL</b>	<b>3217</b>	<b>3500</b>	<b>3644</b>	<b>5300</b>

*Source:* For 1966, 1971 and 1976, ABS; for year 2000 Town and Country Planning Board, *Melton and Sunbury Investigation Areas. Main Report*, Volume 1, 25 September 1974, pp. 4-5,

The proposed population growth over the 24-year period 1976 to 2000 requires a significant rise in growth rates in Geelong and the Victorian part of Albury-Wodonga if the levels suggested are to be attained. Over the decade 1966 to 1976 population in Melbourne grew at an average annual rate of 1.7 per cent, and growth to a population of 4 million by the year 2000 would only require an average growth rate just less than that for the 1966-1976 decade. However, in the case of Geelong the rate from 1976 to 2000 would have to be double the rate of 2.0 per cent per annum that was attained from 1966 to 1976, and in the Albury-Wodonga Victorian Area the rate would have to increase nearly four times, from 1.8 per cent per annum to 6.9 per cent per annum. Clearly highly successful growth centre programs, involving the outlay of substantial funds, will have to be evolved if the population shifts envisaged are to occur. Moreover, these kinds of interregional shifts will compete for resources with proposed intra-regional shifts within the metropolitan region discussed in Section 9 of this chapter, shifts which are intended to reverse the trend of increasing population in the south-eastern sector of the region and movements out of the north-western sector.

### 8. Population Growth within the Victorian Metropolitan Regions 1966 to 1976

Table 17 of the preceding chapter gave details of the population increases in the 11 Victorian regions over the inter-censal periods 1966 to 1971 and 1971 and 1976. Over the decade, the share of the State's population resident in the metropolitan regions increased from 75 per cent in 1966 to just over 77 per cent in 1976, although most of this relative increase occurred in the initial period from 1966 to 1971. In this Section an analysis is made of the ways in which this metropolitan population growth over the decade was distributed within the Melbourne and Barwon regions.

For the analysis of these intra-regional population movements the Melbourne region has been divided into eight sub-regions, the boundaries of which generally correspond to those suggested in 1973 by the then Commonwealth Department of Urban and Regional Development, modified in the light of subsequent revisions made by the Victorian State Government before its declaration of regions in 1974. The major changes to the DURD classification have been the transfer of the municipalities of Bacchus Marsh and Gisborne from the metropolitan region to country regions, and the grouping of Bulla and Melton Shires in the Western sub-region to conform to the subsequent decision of the Victorian Government to develop jointly the townships of Melton and Sunbury (see next Section in this chapter). The Barwon region has been divided into two sub-regions, corresponding to the declared Geelong growth centre area (see above Section 7) and the remainder of the region which has, for want of an existing name, here been termed the Colac sub-region, by reference to the major urban centre in the district.

Population growth in the sub-regions is shown in Table 25, and their location in Figure 8. Patterns of population movements within the regions exhibited significant differences in the two inter-censal

Table 25. POPULATION INCREASES IN METROPOLITAN SUB-REGIONS 1966-71, 1971-76.

Sub-Region	Population (,000)			Population Increase			Share of Population of Two Metropolitan Regions (%)			Number of Local Government Areas With a Population Increase			Number of Local Government Areas With a Population Decrease			
	1966	30 June		1966-1971	1971-1976	average % p.a. 1966-1971	1966	1971	1976	1966-1971	1971-1976	Total	1966-1971	1971-1976	1966-1971	1971-1976
		1971	1976													
1. Melbourne Central	314	308	260	-6.3	-47.9	-0.4	13.0	11.4	9.2	8	2	0	6	8		
2. Western	312	347	377	35.5	29.9	2.2	12.9	12.9	13.4	9	6	5	3	4		
3. North Western	209	218	213	9.6	-5.0	0.9	8.6	8.1	7.6	3	1	1	2	2		
4. Northern	270	309	331	39.6	22.3	2.8	11.2	11.5	11.8	6	6	3	0	3		
5. Inner Eastern	262	287	284	25.3	-2.9	1.9	10.9	10.6	10.1	5	3	1	2	4		
6. Outer Eastern	286	377	448	91.1	71.4	5.7	11.8	14.0	15.9	9	8	9	1	0		
7. Inner Southern	388	404	374	15.5	-29.8	0.8	16.1	15.0	13.3	7	5	0	2	7		
8. Western Port	219	282	349	63.2	66.9	5.2	9.1	10.5	12.4	13	11	12	2	1		
MELBOURNE REGION	2259	2533	2638	273.7	104.7	2.3	93.6	93.8	93.6	60	42	31	18	29		
9. Geelong	128	141	156	13.1	15.3	1.9	5.3	5.2	5.6	9	5	6	4	3		
10. Colac	26	25	25	-1.0	-0.4	-0.7	1.1	0.9	0.9	5	2	1	3	4		
BARWON REGION	154	166	181	12.1	14.8	1.5	6.4	6.2	6.4	14	7	7	7	7		
METROPOLITAN REGIONS	2413	2699	2819	285.8	119.6	2.3	100.0	100.0	100.0	74	49	38	25	36		

Table 25 (continued)

*Notes:*

- (1) Sub-regions for Melbourne Region are based on classification in Department of Urban and Regional Development, *Regions*, October 1973, except that the shires of Gisborne and Bacchus Marsh have been excluded and the shire of Bulla has been transferred from the North-Western sub-region to the Western sub-region because of the joint development of Melton and Sunbury (see Section 9 of this Chapter).
- (2) The Geelong sub-region corresponds to the Geelong growth centre area (see Section 7 of this Chapter) and the remainder of the Barwon region has been termed the Colac sub-region (no official name exists).

Source: ABS, 1971 *Census of Population and Housing*, Bulletin 6, Part 2;  
 ABS, *Population and Dwellings Local Government Areas - Victoria. Censuses 1976 (Preliminary) and 1971.*

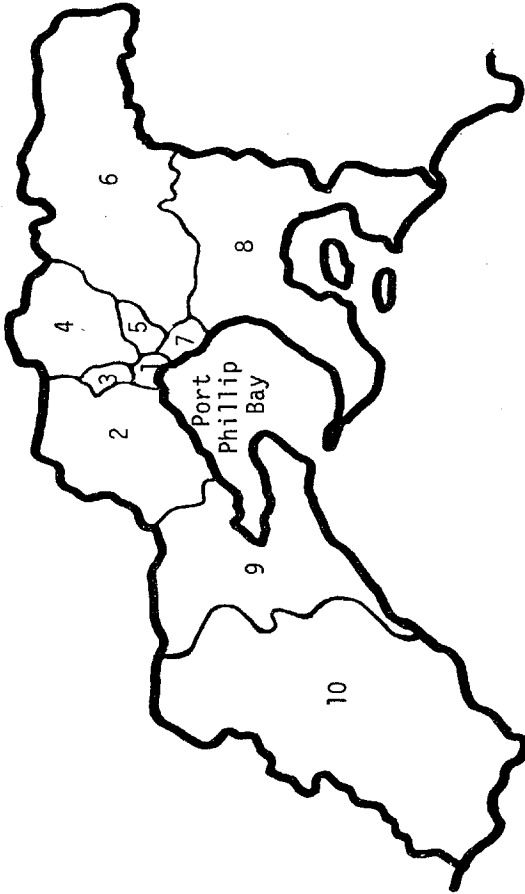


Figure 8. SUB-REGIONS OF THE MELBOURNE AND BARWON REGIONS

- |                      |                   |
|----------------------|-------------------|
| 1. Melbourne Central | 6. Outer Eastern  |
| 2. Western           | 7. Inner Southern |
| 3. North-Western     | 8. Western Port   |
| 4. Northern          | 9. Geelong        |
| 5. Inner Eastern     | 10. Colac         |

periods. In the period from 1966 to 1971 all but two of the sub-regions, Melbourne Central and Colac, had population increases, and the decline in population in those two sub-regions totalled only 7,300. Moreover 49 of the 74 local authorities in the two regions had higher populations in 1971 as compared with 1966. The major growing sub-regions in this period were Outer Eastern and Western Port.

In the period 1971 to 1976 the number of sub-regions which lost population rose to five - Melbourne Central, North Western, Inner Eastern, Inner Southern and Colac. Overall these five sub-regions experienced a combined population decline of 86,000. The main growing areas were again the Outer Eastern and Western Port sub-regions, although there were also relatively significant population shifts into the Geelong and Western sub-regions. Growth was also less general in the local authorities in the regions, the number which lost population increasing to 36, compared with 25 in the previous period.

The differences in the population shifts noted above must be interpreted within the general situation of substantially slower growth in the Victorian metropolitan regions in the second period from 1971 to 1976. In that period the aggregate population increase was only 120,000 (average rate of 0.9 per cent per annum) compared with 286,000 (average rate of 2.3 per cent per annum) in the period from 1966 to 1971.

Table 25 indicates that 38 of the 74 municipalities in the metropolitan regions experienced an increase in population over the period 1971 to 1976. Table 26 lists 22 of these municipalities (Numbers 1 to 22) which had population increases of at least 5000 over the period, and two others (Numbers 23 and 24) which, though they had a population increase of less than 5000 from 1971 to 1976, experienced an increase of over 10,000 during the decade 1966 to 1976. These 24 local government areas had a combined population increase from 1971 to 1976 of 237,000 or nearly double the total rise in the two metropolitan regions, and by 1976 they contained 45 per cent of the metropolitan regional population, compared with 38 per cent in 1971 and 32 per cent in 1966. Thus the growth rate of this group of 24 was two and half times the average metropolitan rate of 2.3 per cent per annum from 1966 to 1971 and nearly five times the average rate of 0.9 per cent per annum from 1971 to 1976.

Figure 9 shows the location of these 24 local government areas within the metropolitan regions, and generally the direction of metropolitan growth has been away from the older central and inner city areas of urban Melbourne and Geelong. The directions of greatest population expansion are summarised in Table 27, where the 24 most rapidly growing municipalities are grouped into five broad directions of expansion - south-west, west and north-west, north, east and north-east, and south-east. Although in absolute numbers the greatest population increases have continued to occur to the east and south-east of the Melbourne central city area (particularly in the Outer Eastern and Western Port sub-regions), the State Government's policy of trying to arrest the decline of population in the west and north-west areas has had some degree of success, as shown by the position

Table 26. LOCAL GOVERNMENT AREAS IN MELBOURNE AND BARWON (METROPOLITAN) REGIONS  
WITH MAJOR POPULATION GROWTH 1966-71, 1971-76.

(Areas listed in descending order of absolute size of population increase 1971-76)

Local Government Area	Sub-Region	Population (,000)			Population Increase			Share of Total Population of Two Regions (%)			
		30 June			Average % p.a.						
		1966	1971	1976	1966-1971	1971-1976	1966-1971	1966	1971	1976	
1. Waverley (15)	Outer Eastern	70	97	117	27.2	20.1	6.8	3.8	2.9	3.6	4.2
2. Doncaster and Templestowe (4)	Inner Eastern	38	64	82	26.2	17.8	11.1	5.0	1.6	2.4	2.9
3. Whittlesea (2)	Northern	17	30	48	13.6	17.7	12.7	9.6	0.7	1.1	1.7
4. Knox (6)	Outer Eastern	37	57	74	20.3	17.6	9.2	5.6	1.5	2.1	2.6
5. Keilor (16)	Western	43	56	71	12.2	15.0	5.1	4.9	1.8	2.1	2.5
6. Lillydale (5)	Outer Eastern	24	36	51	11.7	14.7	8.1	7.1	1.0	1.3	1.8
7. Springvale (10)	Western Port	39	58	72	18.9	14.1	8.1	4.4	1.6	2.2	2.6
8. Frankston (12)	Western Port	42	59	72	17.3	12.5	7.2	3.9	1.7	2.2	2.6
9. Sunshine (22)	Western	69	76	88	7.2	11.7	2.0	2.9	2.9	2.8	3.1
10. Diamond Valley (8)	Northern	23	36	45	13.2	9.2	9.5	4.6	1.0	1.3	1.6
11. Cranbourne (9)	Western Port	13	16	25	3.2	8.7	4.4	9.0	0.5	0.6	0.9
12. Melton (1)	Western	3	6	14	3.4	7.9	18.4	18.3	0.1	0.2	0.5

Table 26 (continued)

Local Government Area	Sub-Region	Population (,000)			Population Increase			Share of Total Population of Two Regions (%)			
		30 June		1976	1971-1976		Average % p.a.		1966	1971	1976
		1966	1971		1976	1966-1971	1971-1976				
13. Broadmeadows (24)	North Western	88	101	109	13.0	7.6	2.8	1.5	3.7	3.7	3.9
14. Dandenong (18)	Western Port	32	41	48	9.2	7.6	5.2	3.5	1.3	1.5	1.7
15. Werribee (11)	Western	18	25	32	6.7	6.7	6.0	4.8	0.8	0.9	1.1
16. Corio (21)	Geelong	36	41	47	4.3	6.3	2.3	2.9	1.5	1.5	1.7
17. Flinders (13)	Western Port	13	15	21	3.0	5.9	4.3	6.6	0.5	0.6	0.8
18. Mornington (7)	Western Port	10	14	20	4.1	5.9	7.0	7.1	0.4	0.5	0.7
19. Bellarine (14)	Geelong	15	19	25	4.3	5.7	5.3	5.5	0.6	0.7	0.9
20. South Barwon (19)	Geelong	22	27	32	4.7	5.6	5.3	3.9	0.9	1.0	1.1
21. Bulla (3)	Western	6	8	13	2.5	5.2	3.9	10.2	0.2	0.3	0.5
22. Sherbrooke (20)	Outer Eastern	18	20	26	2.8	5.1	3.0	4.5	0.7	0.8	0.9
23. Croydon (17)	Outer Eastern	22	29	33	6.9	4.8	5.7	3.1	0.9	1.1	1.2
24. Nunawading (23)	Outer Eastern	75	91	94	16.1	3.6	4.0	0.8	3.1	3.4	3.3
TOTAL 24 LGAs		772	1024	1261	252.0	237.0	5.8	4.3	32.0	37.9	44.7
TOTAL METROPOLITAN REGIONS (74 LGAs)		2413	2699	2819	285.8	119.6	2.3	0.9	100.0	100.0	100.0

Table 26 (continued)

*Notes:*

- (1) Local government areas (LGAs) listed are those which experienced a population increase either not less than 5000 from 1971 to 1976 or not less than 10,000 from 1966 to 1976; only two LGAs in the list do not meet the first criterion, No. 23 Croydon and No. 24 Nunawading.
- (2) The numbers appearing after each LGA in Column 1 indicate the rank ordering (descending) of the areas with respect to their average annual rates of population increase over the decade 1966 to 1976. It should be noted that other LGAs not shown in the list may have had higher average annual growth rates over the decade; these LGAs are excluded because their absolute population increases were smaller than the lower limits set in Note (1).
- (3) Over the period 1966 to 1976 the 24 LGAs had an average annual growth rate of 5.0 per cent, compared with the average of 1.6 per cent for all 74 LGAs in the two metropolitan regions. Of the 24 LGAs shown, 15 had average growth rates above the 5.0 per cent average for the group of 24, ranging from 5.3 per cent for Waverley to 18.4 per cent for Melton. Among the 9 LGAs with average growth rates below the group mean rate, the range was from 4.9 per cent for Keilor to 2.1 per cent for Broadmeadows. Thus all 24 LGAs in the group had growth rates from 1966 to 1976 above the mean rate for all 74 LGAs in the two metropolitan regions (1.6 per cent).

*Source:* As for Table 25.



Figure 9. 24 LOCAL GOVERNMENT AREAS IN MELBOURNE AND  
BARWON REGIONS WITH GREATEST POPULATION INCREASES

Table 27. DIRECTIONS OF METROPOLITAN EXPANSION  
1966 to 1976.

Direction	Sub-Regions	Number of LGAs from Group of 24	Population (,000)			Population Increase (,000)	
			1966	30 June 1971	1976	1966-71	1971-76
south-west	Geelong	3	73	86	104	13	18
west and north-west	Western	5	139	171	218	32	47
north	North Western and Northern	3	128	168	202	40	35
east and north-east	Outer Eastern and Inner Eastern	7	283	394	478	111	84
south-east	Western Port	6	149	205	259	56	55
Total		24	772	1024	1261	252	237

Source: Table 26.

in the Western sub-region in Table 27. This sub-region includes the satellite townships of Melton and Sunbury discussed in the next section of this chapter, and although the absolute population increases in the two relevant shires of Melton and Bulla were small (totalling only 13,100 from 1971 to 1976) these two municipalities had the first and second highest growth rates from 1971 to 1976 among all the 74 municipalities within the two metropolitan regions (18 per cent per annum and 10 per cent per annum respectively).

### 9. Melton-Sunbury Satellite Townships

In March 1974 the Victorian State Government declared that the existing townships of Melton and Sunbury would be developed as satellite towns within an interim strategy for the future population growth and development of Melbourne, and by Order-in-Council an area of 166 square kilometres surrounding those towns was proclaimed an Investigation Area under the provisions of the *Development Areas Act* 1973. The Town and Country Planning Board then assumed the tasks of preparing a report on the Investigation Area and of subsequently recommending the role, size and timing of development in the satellite towns.

Melton and Sunbury are two small towns in the Shires of Melton and Bulla respectively, shires which lie on the north-west fringe of the Melbourne region. At the 1966 Census the populations of these towns were 1700 (Melton) and 3500 (Sunbury), but these populations increased rapidly to 4500 and 6000 by the 1971 Census. By the mid-1970s their populations were approaching 10,000, with Melton growing the faster and exceeding the population of Sunbury by that time. The Investigation Areas declared comprised 77 square kilometres around the town of Melton (20 per cent of the area of the Shire of Melton) and 89 square kilometres around the town of Sunbury (17 per cent of the area of the Shire of Bulla).

With respect to the concept of satellite towns the Town and Country Planning Board in its 1967 report, *Organisation for Strategic Planning*, had expressed substantial reservations about the value in the Victorian situation of the British satellite towns approach as a general solution to accommodating an increasing metropolitan population. Nearly a decade later, however, the Board, while still opposing this approach as a general solution, favoured such a policy in the cases of Melton and Sunbury as a particular solution to certain aspects of the metropolitan growth problem. In its September 1974 Report<sup>7</sup> the Board said: "The satellite form is believed to be soundest in the circumstances. Further to this it is becoming more and more apparent that Melbourne's predominant eastward and south eastward expansion is a luxury that can no longer be afforded, in environmental terms if no other. Some of this growth must be diverted to the west and north west". The eastward and south eastward expansion of Melbourne has been noted in the preceding Section of this chapter, and the Town and Country

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<sup>7</sup>Town and Country Planning Board, *Melton and Sunbury Investigation Areas. Main Report*, volume: 1, 1974, Preface.

Planning Board still favours Geelong as the major urban alternative to the continued expansion of Melbourne.

In its Report the Town and Country Planning Board concluded that the preferable strategy for the development of the two towns was one based on what it referred to as a "moderately strong acceleration of growth" in both towns, with the objective of creating an integrated community in social terms with a diversity of job opportunities. It further concluded that the target population by the end of the century should be at least a population of 75,000 in each satellite town, with an alternative possibility of raising that level to 95,000. Since the issue of this Report, however, the population targets for Melton and Sunbury have been revised downwards to a considerable extent.

The central recommendation of the Town and Country Planning Board with respect to the accelerated development of Melton and Sunbury as satellite towns was that the "Melton and Sunbury Designated Areas be defined as one sub-region and that development planning and management within the Designated Areas be the responsibility of a single Melton-Sunbury Authority".<sup>8</sup> The Board favoured a single Authority because it believed that common problems would be faced in each satellite town, there would be a need for planning and development in each town to be complementary, and many programs would best be shared. The Board recommended that the Authority be responsible to the Minister for Planning, and have nine members appointed from nominations by the State Government, the Melbourne and Metropolitan Board of Works, and municipalities within the sub-region. The Authority should have the responsibility of planning within the Designated Area in accordance with approved Melbourne and Metropolitan Board of Works and State strategies, while developed areas should be planned by the Authority in conjunction with the appropriate Shire Council. The Designated Areas recommended by the Board corresponded to the Investigation Areas.

The State Government accepted the general recommendations of the Town and Country Planning Board and in December 1974 it announced that in due course it would establish a special statutory authority - the Satellite City Corporation - to co-ordinate the joint development of Melton and Sunbury as Melbourne's first satellite cities. An Interim Co-ordinating Committee was then set up, with representatives from the Town and Country Planning Board and the Shires of Melton and Bulla, to be responsible for the initial planning and development. In May 1975 this Committee invited consultants to make submissions to carry out relevant studies in the area, and in September 1975 the Committee commissioned three studies, on: public involvement and social planning; population, employment and housing; and physical planning. A summary of the reports on these studies was issued in July 1976,<sup>9</sup> by which time planning had proceeded to the stage of the

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<sup>8</sup>Town and Country Planning Board, *Melton and Sunbury Investigation Areas. Recommendations for Declaration of Designated Areas*, Volume 3, September 1974, p. 45.

<sup>9</sup>Melton-Sunbury Interim Co-ordinating Committee, *Melton-Sunbury Satellite Townships. Summary of Consultants' Reports*, July 1976.

development of what was termed the Physical Planning of Sunbury Phase 1 (Conceptual). In line with the need to plan residential development an area of 180 hectares owned by the Victorian Housing Commission at Sunbury was rezoned Reserved Living.

The approach adopted in Melton-Sunbury conforms more to that applied in the Geelong growth centre than in the Albury-Wodonga case. It is envisaged that the planning corporation will seek co-ordination of programs through co-operation rather than the exercise of its authority and powers, and physical development will be undertaken as far as possible by private enterprise. Within this framework of development substantial compulsory acquisition of land by the corporation is not intended, although it will have reserve powers to ensure that adequate land is provided for public purposes and for industrial estates. Land tenure will be freehold.

## 10. Ministry for Conservation

The intention of this study has not been to examine the structure and functions of all State Government departments and agencies which affect regional planning and development. Rather emphasis has been placed on those organisation whose prime responsibility is with regional physical and social planning and with the regional location of industry and population. However, brief mention should be made of the Ministry for Conservation and its various agencies, e.g. Land Conservation Council, Environment Protection Authority, Soil Conservation Authority etc., because these organisations have a significant role in regional planning and development in Victoria.

The significance of the Ministry for Conservation is illustrated by the responsibilities and tasks of the Western Port Regional Co-ordinating Group, which stem from a major study of the Western Port Catchment area undertaken by the Ministry. Thus one of the responsibilities of the Group is to ensure that the planning and management of development of the Western Port Catchment is carried out in accordance with the Government's expressed aim of using the Catchment's resources in the best interests of the whole community, and within the environmental guidelines set out in environmental study reports for Western Port. Similarly, among the tasks of the Group are to evolve and implement procedures for identifying and monitoring activities relating to planning and management of development in the Catchment area, to advise the State Co-ordination Council on broad priorities of works within the Catchment, and to advise on and review as necessary Government policies in the Catchment, particularly with respect to Statements of Planning Policy and Statements of Environment Protection Policy.

Initiatives similar to those in the Western Port Area have also been taken by the Ministry for Conservation in the Gippsland Region, where over forty agencies, organisations and individuals have been involved in the Gippsland Region Environmental Study. This study will have a considerable influence on the future planning and development of a large part of the State which includes the Latrobe Valley and the Gippsland Lakes.

The work of the Ministry for Conservation in Victoria, considered in relation to the work of the other organisations discussed, indicates the importance of conservation and environment protection in regional planning and development, and the significant degree of interdependence between planning, conservation and development.

## 11. Conclusion

This Chapter has been concerned with a review of the main developments in the approach to and organisation of statutory and strategic planning at the regional and local level in Victoria since 1964. The main developments have been:

- (a) The establishment of the Ministry for Planning in 1973, and in particular its role in forming and servicing regional planning authorities, and its responsibilities in the urban land acquisition field through the Victorian Urban Land Council.
- (b) The replacement of the State Planning Council by the State Co-ordination Council in April 1976, and arrangements for the co-ordination of regional planning and development through such machinery as Regional Co-ordinating Groups and Special Task Groups.
- (c) The increased emphasis placed on the role of conservation agencies in regional planning and development, particularly through the work of the Ministry for Conservation.
- (d) The establishment of a three tier system of planning - State, regional and local - with appropriate planning organisations. At the State level there is the State Co-ordination Council and the Town and Country Planning Board; at the regional level there are the regional planning authorities including the Melbourne and Metropolitan Board of Works, and at the local level there are the municipal councils. In some cases the Town and Country Planning Board may act as a regional or local organisation for the preparation of planning schemes.
- (e) The evolution of a flexible approach to regional planning organisations, as exhibited by the differences between the Melbourne and Metropolitan Board of Works, the Loddon-Campaspe Regional Authority, the Albury-Wodonga Development Corporation, the Geelong Regional Commission, and the proposed Melton-Sunbury Satellite City Corporation. In general the movement has been towards the creation of regional authorities which oversee development and land use rather than acquire land and develop it themselves. This change in basic function has meant that greater reliance is placed on private development, although public development may take place to provide industrial estates, low cost housing or land for housing, open space and other land for public purposes, and environmental protection and enhancement. Thus the kind of widespread land acquisition envisaged as a function of the Albury-Wodonga Development Corporation (and inherent in the urban policies of the Labor Government from 1972 to 1975) has been reversed in Victoria in the last two years.

- (f) The evolution of a new approach to the growth of population in the metropolitan regions, based on corridors of expansion and green-wedges concepts, later modified to include limited development of satellite towns. Additionally, the traditional English approach of building a new town has been partially encompassed in the policy of promoting the existing city of Geelong as a growth centre to accommodate some of the expected population growth in the Melbourne region. However, the Geelong Regional Commission does not conform to the model of the British new towns corporation.
- (g) The establishment of overall control of planning and development by the issue of Statements of Planning Policy. However, the preparation and implementation of planning at the regional and local levels are hampered by the fact that as yet State Government directives and policy statements apply to only a small part of the State. Also in some cases where directives exist the issues involved are not always clear cut.
- (h) There has gradually evolved a new approach to planning which represents a move away from the older pre-occupation with physical infrastructure. Social elements, environmental quality, the degree of government involvement in planning, and community participation are essential components of the new approach to planning which is evolving in Victoria.

While the Victorian Government is currently involved in growth centre or satellite city projects in non-metropolitan and metropolitan areas, it appears that most emphasis is being given to the metropolitan areas and to Albury-Wodonga. The emphasis on metropolitan areas is understandable, given that over 77 per cent of the State's population lives in the Melbourne and Barwon regions, and that this proportion has increased over the last decade. Although Victoria has developed a relatively comprehensive program of assistance to country industries, in general this program does not appear to have had a great degree of success in inducing industries to relocate by moving from the metropolitan to country regions. Also despite the fact that several country centres were recommended as suitable for accelerated development as regional growth centres in 1967, little was really done in this regard until 1973 when the multi-government growth centre of Albury-Wodonga was declared. Although the Victorian Government had for some time favoured this joint development, with the New South Wales Government, of Wodonga and Albury, and no doubt pressed for the declaration of Albury-Wodonga as a growth centre, there are many reasons for believing that, from the Victorian viewpoint, the development of larger centres closer to Melbourne, such as Ballarat and Bendigo, may have offered a greater degree of success, and involved less outlay, than the more ambitious and perhaps risky Albury-Wodonga project. Recent developments in the Melbourne and Barwon regions, involving particularly Geelong and Melton-Sunbury, suggest that the State Government, now that the degree of future involvement of the Commonwealth Government in urban programs is likely to be diminishing, has lowered its sights to allocate its limited resources to areas where the most pressing urban and regional problems exist now and will continue to exist in the future. At the same time it has moved away from the more command-type of planning favoured by the former Labor Government (and inherent in the planning and development of Canberra) to something that is more akin to the so-called indicative approach to regional planning in France.

## VII URBAN AND REGIONAL POLICIES OF THE COMMONWEALTH GOVERNMENT

### 1. Committee of Commonwealth/State Officials on Decentralisation

As noted previously, the involvement of the Commonwealth Government in moves to introduce regional approaches to development and planning ceased in 1949, and it was not until 1964 that the Commonwealth Government showed some kind of renewed interest in this problem. In that year, following a Premiers' Conference, it was agreed to establish a Committee of Commonwealth and State officials to investigate decentralisation. The Committee first met in 1965 but it was not until 1972 that it issued its Report.<sup>1</sup> The four main conclusions contained in the Report were:

- (i) The studies commissioned by the Committee did not produce clear evidence of an overriding economic advantage or disadvantage, from the national viewpoint, from a continuation of the centralisation process.
- (ii) Continued centralisation of population and economic activity gave rise to external diseconomies which might become of greater significance in the future. On the ground of avoiding these social costs an effective decentralisation program might be justified.
- (iii) The only type of decentralisation program that offered significant prospects for success was one of selective decentralisation.
- (iv) Any program of decentralisation, selective or otherwise, would have to be phased over time, so that scarce capital resources could be allocated efficiently, and future prospects evaluated from time to time in the light of past developments and experience gained.

The fact that the Committee justified decentralisation on the grounds of the avoidance of social costs, not on the grounds of the realisation of social benefits, was criticised by the New South Wales Department of Decentralisation. It claimed in a dissenting statement in the Report that there was massive justification for decentralisation programs from economic and social advantages. "The quantitative and qualitative evidence clearly constitutes a positive and, indeed, massive and accelerating justification for the adoption of decentralisation as a public policy objective and the application of national financial resources to its implementation".<sup>2</sup>

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<sup>1</sup>*Report of the Committee of Commonwealth/State Officials on Decentralisation*, AGPS, Canberra, 1972; *Studies Commissioned by the Committee of Commonwealth/State Officials on Decentralisation*, AGPS, Canberra, 1975.

<sup>2</sup>*ibid.*, p. 88.

## 2. NURDA and the Cities Commission

The Australian Labor Party had been promoting a range of urban issues since 1969, and in 1971 a section on city problems was introduced into the Federal Platform and Policy. The problems of the cities featured prominently in the 1972 election campaign, and this, combined with increasing pressure from the States, resulted in the Liberal-National Country Party Government introducing, in October 1972, legislation to involve the Commonwealth in urban issues - the *National Urban and Regional Development Authority Act 1972*.

The Act created a new Statutory Authority, the National Urban and Regional Development Authority (NURDA), whose task was to investigate, and from time to time report to the Minister on, matters relating to urban or regional development, particularly for the purpose of assisting the Government of the Commonwealth in the consideration by the Government of the grant of financial assistance by the Parliament to a State in connection with urban or regional development, including the terms and conditions on which that assistance might be granted by parliament.

The Authority was also instructed to furnish a report to the Prime Minister by 30 June 1973 on matters relating to urban and regional development during the period 1973-1978. The passing of this Act was the first step in a new era of Commonwealth involvement in regional policy.

In June 1973 the new Labor Government changed the name and composition of NURDA. The Authority was renamed the Cities Commission and in the place of a single Commissioner it was constituted with a full-time Chairman and four part-time Commissioners. The Labor Government also established a Department of Urban and Regional Development.

The Cities Commission was given the tasks of NURDA of reporting to the Minister not later than June 1973 on matters relating to urban and regional development during the period 1973 to 1978, and of drawing up expenditure proposals for the year 1973-74 within the context of a financial structure for a national urban and regional development program.

In its report to the Government<sup>3</sup> the Cities Commission recommended that a national program of action should be implemented to foster the development of metropolitan and regional growth centres. The Commission defined a metropolitan growth centre (or system city) as a city which was developed "within the influence of an existing metropolitan area but as a self-contained entity rather than a metropolitan dormitory area"; and a regional growth centre as one "located a significant distance from an existing metropolis with existing resources or the potential to serve the region which surrounds it".<sup>4</sup> In general the

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<sup>3</sup>Cities Commission, *A Recommended New Cities Programme for the Period 1973-1978*, AGPS, Canberra, 1973.

<sup>4</sup>*ibid.*, p. 20.

Commission favoured the building of cities to a population level within the range 100,000 to 500,000.

The objectives of growth centres policy, as seen by the Commission were: to promote a more equitable distribution of national resources, opportunities, and social and welfare services; to conserve and protect the natural environment; to develop a wider range of choice of life styles for present and future urban inhabitants; to ensure that the program of growth centres was consistent with national economic growth policies; and to attract population and economic activity away from metropolitan regions, particularly away from Sydney and Melbourne. In line with these objectives, the Commission supported the concept of concentrated or selective decentralisation as defined previously.

In selecting growth centres in practice, the Commission laid down eight criteria that should be applied. These criteria were:<sup>5</sup>

- (i) *The spatial influence of a new city.* This criterion was related to the potential capacity of a regional growth centre to exert a significant regional influence, and of a metropolitan growth centre to develop into a separate node substantially free from the influence of the metropolis.
- (ii) *Economic growth potential.* A growth centre should have an existing growth potential based upon the availability of economic resources, the existence of basic or export industries, and the possession of a diversified economic base.
- (iii) *Physical resource base.* The centre should have sufficient and suitable land, water, power and social and recreational facilities, and possess a suitable climate.
- (iv) *Environmental impact.* Any proposal for the development of a new or an existing centre must take account of the impact of such development on the environment of the region.
- (v) *Access to the metropolis.* Where it was envisaged that the growth centre would draw a substantial proportion of its migrant population from the existing metropolitan centre, ease of access to the metropolis would be important.
- (vi) *Better opportunities.* The new city should have the potential to provide opportunities for a variety of life styles, and expectations of adequate income, better education and diverse cultural and leisure activities.
- (vii) *Existing national infrastructure.* Sites for new cities should generally be selected within the existing national infrastructure of capital investments, particularly transport networks.
- (viii) *Political consensus.* The Commonwealth Government should give support to initiatives already taken at State and local government levels.

In implementing growth centre programs, the Cities Commission

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<sup>5</sup>Cities Commission, *op. cit.*, pp. 25-26.

favoured the British practice of establishing a Development Corporation whose task was to plan and develop the regional and metropolitan growth centres included in any national urban and regional development program. A statutory corporation of this kind was necessary to "achieve strong executive action directed towards expanding the level of employment and investment to ensure the economic viability of the centre and planning and developing the resulting city".<sup>6</sup> A key element in the new cities program was to be the acquisition of land by the government for subsequent disposal for industrial, commercial, residential or national estate purposes. It was recommended that a Land Commission be established in each State to buy tracts of land required for growth centres, the Land Commissions subsequently making the land available to the Development Corporations. In general the Cities Commission appears to have favoured a leasehold system of land as exists in Canberra because such a system of tenure would give the Development Corporation "a stronger and more positive system of control over private and government building development and land use than it would under a freehold tenure system supported by a zoning scheme".<sup>7</sup>

In its brief period of existence NURDA had commissioned twelve studies on the development possibilities of various areas in Australia, the areas being selected after consultation with State governments. Although the Cities Commission admitted that these studies were "broad rush" and were only the first steps in a systematic program of such investigations, it used the reports as the main basis of its recommendations. The centres included in these initial investigations were: Holsworthy-Campbelltown, Gosford-Wyong, Bathurst-Orange, Albury-Wodonga, South-East Sector of Melbourne, Geelong, Monarto, Perth North-West Corridor, Albany, Bunbury, Geraldton, Tamar Region, Townsville, Rockhampton, Gladstone, and Moreton Region.

The first regional growth centre declared under this new program was Albury-Wodonga in October 1973. This choice presented special problems in that it involved land in two States. The other metropolitan and regional centres that were viewed most favourably were Geelong, Bathurst-Orange, South-West Sector of Sydney (Campbelltown, Holsworthy, Camden, Appin), Gosford-Wyong, and Monarto.<sup>8</sup> The Albury-Wodonga growth centre will be discussed in detail in Part Two of this study.

In 1973 the Australian Institute of Urban Studies, which for many

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<sup>6</sup> *ibid.*, p. 29.

<sup>7</sup> *ibid.*, p. 29.

<sup>8</sup> See: *The New Cities of Campbelltown, Camden, Appin. Structure Plan*, State Planning Authority of New South Wales, Sydney, 1973; *Gosford, Wyong. Urban Strategy*, State Planning Authority of New South Wales, Sydney, 1973; *Gosford, Wyong. Structure Plan*, State Planning Authority of New South Wales, Sydney, 1975; *New Cities for the Bathurst/Orange Growth Area*, New South Wales Planning and Environment Commission, Sydney, 1975; *Cities Commission, Urban and Regional Development. Overseas Experts' Reports*, AGPS, Canberra, 1974.

years had been advocating positive programs for the development of new cities and their proper management, claimed that the "easiest part of the job of finding a strategy for Australia's cities has been done. Action is being taken on the widely-accepted concept of system-cities and new regional-cities".<sup>9</sup> This optimism appears to have stemmed largely from the new urban and regional initiatives developed by the Labor Government after its return to power in 1972, but the succeeding Liberal-National Country Party Government reversed the trend towards greater Commonwealth involvement, claiming that urban and regional programs were primarily a function of State government.

The belief that State governments should be responsible for urban and regional planning is acceptable only under three conditions. First, State governments have limited financial resources, and any major expansion of expenditure on urban and regional planning can be achieved only by their switching expenditure from other activities. This kind of reallocation of expenditure is not always feasible, given the major demands on State budgets in the fields of education, health and hospitals, law and order, and transport - fields in which any State government will find it difficult to reduce its present commitments. Hence specific financial assistance for urban and regional planning will be required from the Commonwealth Government. Second, many aspects of urban and regional planning operate through local government, and the financial plight of local government is even more urgent than that of the States. Moreover, relatively few local councils have the professional staff to expand their urban and regional planning function. Thus the effectiveness of urban and regional planning from the viewpoint of local government participation can be raised only if additional funds are provided for local government to employ the necessary professional staff and to carry out the programs of land acquisitions and infrastructure provision. Third, not all State and local governments are committed to an urban and regional planning approach, and it can be argued that the quality of urban life is a public good the availability and supply of which should not vary interregionally at the whims of State governments. In this sense some degree of Commonwealth involvement is necessary to upgrade, and to some extent standardise, the efforts of State and local governments. This condition is becoming of increasing importance as the proportion of the Australian population living in cities continues to rise, and it is clear that from the community viewpoint the demand for improvements in the quality of urban life is elastic with respect to increases in national affluence.

The three conditions discussed above indicate that, if State governments are to be given the primary responsibility for urban and regional planning, this must be done within a co-operative framework involving both Commonwealth and all State Governments. The role of the Commonwealth Government will then be to provide specific purpose funds for urban and regional planning programs, to try to achieve some kind of equalisation among the States in their approaches to planning, and to undertake much of the general and applied research and experimentation that is required to make planning more effective and

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<sup>9</sup> Australian Institute of Urban Studies, *Managing the Cities. An Evaluation*, AIUS, Canberra, 1973, p. 1.

responsive to changing circumstances.

One of the main reasons for favouring the above approach, instead of one based on greater participation if not dominance by the Commonwealth, relates to the concept of co-operative federalism, wherein each of the three levels of government has autonomy in specific fields, but because of the increasing interdependence among many functions, and the difficulty of precision in the demarcation of functions, this political autonomy must be cushioned by a process of intergovernmental co-operation for the good of the nation as a whole.

### 3. The Department of Urban and Regional Development and The Department of Environment, Housing and Community Development

As noted above, one of the first changes made to the administrative structure of the Commonwealth Government by the Labor Party on its election to office in December 1972 was the creation of a Department of Urban and Regional Development (DURD). Apart from the growth centres programs previously examined, this Department also developed a number of other programs which had urban and regional planning objectives. The most important of these were:<sup>10</sup>

(i) *Urban services*. The objective was to develop an integrated approach by the Commonwealth Government to water supply, sewerage, drainage, waste water treatment, effluent control and flood mitigation as these elements affected urban and regional development. The first program introduced, and the one most widely developed, was the national sewerage program through which the Federal government provided funds to the States to co-ordinate the planning for sewerage with urban land use planning, to eliminate unsewered premises in cities and towns, and to raise the quality of effluent treatment. Other components of this integrated approach were developed to a much lesser extent than the sewerage program. Urban water supply programs sponsored included projects to improve the quality of Adelaide's water supply and to provide a regional water supply system in North-West Tasmania; while grants for flood mitigation were made for a project in the Moreton region in Queensland.

(ii) *Urban renewal and rehabilitation*. This program was designed to provide support for projects to preserve accommodation in the inner city areas for low-income families, to achieve a broad socio-economic mixture of population in particular areas, to preserve the historic landscape qualities of older inner city suburbs, and to foster community participation in planning. The main projects supported were the purchase of the Emerald Hill property in Melbourne and the Anglican Church property at Glebe in Sydney, and proposals to rehabilitate Woolloomooloo in Sydney.

(iii) *Area improvement program*. This program was "established as a

<sup>10</sup> See: *Urban and Regional Development 1974-75*, AGPS, Canberra, 1974; and *Urban and Regional Development 1975-76*, AGPS, Canberra, 1975.

way of involving people and organisations in identifying regional problems, working out regional strategies, and devising appropriate means of implementation".<sup>11</sup> The program provided funds on a regional basis to remedy deficiencies in urban infrastructure and community services. The funds could be used for such purposes as land acquisition for community centres and other community amenities, improvements to the physical environment, preparation of strategy plans, the protection of the environment, and public education activities on urban issues. Some emphasis was also placed on innovative projects which demonstrated better or cheaper ways of carrying out urban functions.

(iv) *Assistance to regional organisations.* General purpose grants were made to regional organisations of councils established for the purposes of the Grants Commission. These grants were to assist with administrative expenses, the preparation of regional submissions, the employment of consultants or staff to assist in regional research or planning, and the holding of conferences to foster regional awareness.

(v) *National estate.* This program was jointly administered by DURD and the Department of the Environment and Conservation. Grants were made for the acquisition, restoration and preservation of historic sites and buildings; to acquire land for national parks and nature reserves; and to subsidise the operating expenses of conservation organisations. The projects supported were undertaken by State and local governments and by private organisations, especially the various National Trust bodies. Advice on selection of these projects was given by the Interim Committee on the National Estate, pending the formation of a National Heritage Commission.

Table 28 gives details of expenditure on the various programs described in the last two sections. Most of the funds were expended on growth centres, land acquisition and the sewerage program, and about two-thirds of the expenditure was in New South Wales and Victoria.

Even before the change of government in December 1975 the effects of inflation and recession had begun to have an adverse impact on these urban and regional development programs, and a general slowing down in funding ensued. Following the election defeat of the Labor Government the new Liberal-National Country Party Government immediately indicated its intention of withdrawing from, or substantially modifying, all regional and urban programs. In line with this intention the Fraser Government abolished the Department of Urban and Regional Development and the Department of Environment and Conservation, and incorporated them into a broader multi-function Department of Environment, Housing and Community Development. Subsequently funds provided by the Commonwealth Government for all programs were substantially reduced.

Throughout 1976 and 1977 the final intentions of the Commonwealth Government to existing urban and regional programs remained uncertain, although it appeared clear that the Government regarded such programs

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<sup>11</sup>*Urban and Regional Development 1975-76, op. cit., p. 71.*

**Table 28** DEPARTMENT OF URBAN AND REGIONAL DEVELOPMENT. OUTLAY ON URBAN AND REGIONAL PROGRAMS 1973-74 to 1975-76. (\$ million)

Program	Year Ended 30 June					
	All States			New South Wales and Victoria		
	1974	1975	1976 (est.)	1974	1975	1976 (est.)
<u>1. Growth Centres and Urban Expansion</u>						
Albury-Wodonga	2.4	42.3	40.4	2.4	42.3	40.4
Bathurst-Orange		5.0	8.6		5.0	8.6
Sydney South-West Sector		10.1	19.5		10.1	19.5
Monarto	4.4	5.4	0.5			
Other	8.0	43.1	68.2		9.5	29.1
sub-total	14.9	105.9	137.2	2.4	66.9	97.6
<u>2. Urban Services</u>						
Sewerage	27.9	117.7	115.0	20.5	80.6	78.2
Water supply		4.4	10.6			
Flood mitigation			2.6			
sub-total	27.9	122.1	128.2	20.5	80.6	78.2
<u>3. Urban Renewal and Rehabilitation</u>	5.3	16.7	16.2	5.3	16.7	16.2
<u>4. Area Improvement Program</u>	7.4	13.8	17.7	7.4	10.1	12.5
<u>5. Assistance to Regional Organisations</u>		0.3	0.4		0.2	0.2
<u>6. National Estate</u>	0.8	7.5	5.6	0.2	3.1	n.a.
TOTAL	56.3	266.3	305.3	35.8	177.6	(204.7)

*Notes:* (i) 1975-76 outlay is budget estimate; total for New South Wales and Victoria excludes National Estate.

(ii) n.a. - not available.

(iii) other programs for growth centres and urban expansion include studies of potential growth centres, finance provided to State Urban Land Councils, and funds to purchase land for regional open space.

(iv) other urban programs funded by the Commonwealth Government not included in this Table are transport in urban areas, housing and urban road

*Source:* *Urban and Regional Development 1974-75;* and *Urban and Regional Development 1975-76.*

primarily as a State function, and inappropriate for direct Commonwealth funding. However, the Commonwealth Government remained committed to some of the existing programs, such as the Albury-Wodonga growth centre, although its financial commitment decreased considerably.

In October 1977 the Minister for Environment, Housing and Community Development announced that the Commonwealth Government would establish a Decentralisation Advisory Board to advise it on decentralisation expenditures. In particular it would advise the Minister on the merits of projects to be supported from the allocation of \$6 million for new decentralisation initiatives in the 1977 budget. This amount was in addition to funds to be provided by the Commonwealth Government for the three existing growth centres it was currently supporting at Albury-Wodonga, Bathurst-Orange and Macarthur (south-west sector of Sydney). It was claimed that this new program, by not concentrating assistance on only three centres, would reinforce the national importance of decentralisation and complement State government programs. Despite this indication of an expansion of centres to be supported, and the relative smallness of the funds provided for new centres; the Minister asserted that the new program would retain the economic advantages and cost effectiveness of selective decentralisation by concentrating on projects, selected by the Commonwealth Government in consultation with the States, which had sound long-term growth prospects.

The Advisory Board proposed is to have a membership of up to ten persons, including representatives from business and members recommended by the Commonwealth and State Governments. The Board will make recommendations on assistance, which will normally be for capital purposes. The funds provided will be by way of grant or loan, depending on the circumstances of each project, and will be available for both tertiary and secondary industries, as well as for infrastructure and community projects.

The Minister's statement concluded that the "central themes of this new program are to ensure that this assistance is co-ordinated with other Commonwealth policies, such as those on industry and employment, and to complement State Government decentralisation programs and policies".<sup>12</sup> Early discussions were foreshadowed with State Decentralisation Ministers to implement the new program, but further progress was delayed during the speculative political climate created by rumours of an early federal election, which finally led to the calling of an election in December 1977, some two years after the Liberal-National Country Party had been returned to power. With the return of the Fraser Government, the new policy will presumably be instituted in 1978. At present the Commonwealth Government is supporting the projects at Albury-Wodonga, Bathurst-Orange and Macarthur, the first two being regional (country-located) growth centres and the third a metropolitan growth centre for Sydney. It

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<sup>12</sup>Press Statement by Hon. K.E. Newman, Minister for Environment, Housing and Community Development, Decentralisation Advisory Board, Canberra, 4 October 1977.

is not supporting the metropolitan projects of Geelong (Victoria) and Monarto (South Australia). Whether the new approach that emerges will favour more regional centres or stress metropolitan centres remains to be seen, although the current situation suggests that the support of two regional growth centres, as well as Canberra, may be all that is justified. If this view is accepted, more assistance will have to be given in the future to solving the problems facing the existing metropolitan areas, solutions which will not involve proposed long-distance migration of population into a greater number of inland regional centres.

If emphasis is shifted to the metropolitan areas, this will make policies to induce industries to decentralise interregionally less important, and policies concerned with providing a high quality urban environment more important. This is so because evidence from studies of interregional and intra-regional migration in the United States has shown that high levels of employment opportunity attract migrants and retain the natural increase of population, and this feature is one source of the continued growth of the metropolitan areas - whereas in the regional growth centre the major difficulty is in creating a high and rising level of jobs. Further it has also been shown that for long-distance interregional migration the major factors affecting household decisions to migrate were related to labour market conditions, including the availability of new or preferred jobs; whereas for short-distance intra-regional migration most of the shifts of household location were housing related, and relatively few were job related.<sup>13</sup> In the metropolitan area, therefore, where job opportunities are at high and rising levels, more attention can be given to policies designed to accommodate the increasing number of migrants as well as the retained natural increase in population, by building better system-cities, satellite towns, corridors of development or whatever form of urban growth is accepted as desirable in the particular metropolitan area.

#### 4. The Australian Assistance Plan

Apart from the regional policies of DURD, the other major regional program developed by the Labor Government was the Australian Assistance Plan (AAP). This Plan was implemented by the Social Welfare Commission in 1973 as a three-year experimental program which had the objective of assisting "in the development, at a regional level within a nationally co-ordinated framework, of integrated patterns of welfare services, complementary to income support programs and the welfare-related aspects of health, education, housing, employment, migration and other social policies".<sup>14</sup> The AAP program was to operate through

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<sup>13</sup>See: J.B. Lansing and E. Mueller, *The Geographic Mobility of Labor*, Ann Arbor, Institute for Social Research, University of Michigan, 1967; I.S. Lowry, *Migration and Metropolitan Growth: Two Analytical Models*, U.S. Bureau of the Census, *Current Population Reports*, Series P-60, No. 54, 1968.

<sup>14</sup>Social Welfare Commission, *Australian Assistance Plan*, Discussion Paper No. 1, AGPS, Canberra, 1973, p. 3.

the establishment of a new statutory regional social planning authority, the Regional Council for Social Development (RCSD), which was to carry out the following functions in its particular region:

- (i) to advise and assist the government on action required to promote the social development of the region;
- (ii) to evaluate and monitor the social needs of the region and to report on these to the relevant level of government;
- (iii) to devise plans for the welfare needs of the community of the region;
- (iv) to advise the Commonwealth Government on the development in the region of its own departmental services as these services affected community welfare;
- (v) to co-operate with other public and private bodies concerned with community welfare activity and other regional planning organisations in the region;
- (vi) to provide the people of the region with greater opportunity to participate in the planning, development and control of their own community services.

Membership of these Regional Councils was to be open to all residents aged 16 years of age and over, to non-profit private organisations with objectives consistent with those of the RCSD, and to representatives from Commonwealth, State and local governments and other recognised regional planning bodies. The RCSD would have access to finance in the form of grants from the Commonwealth Government.

In the experimental three-year phase the AAP developed slowly and was subject to interregional modification and variation in its approaches to regionalism and the formation of an RCSD. A number of pilot and experiment regions was delimited, and grants were provided for initiating grants to promote the formation of a regional council; for a supporting secretariat; to meet office expenses and the salaries of a Director of Social Planning and the employment of community development officers; and for the financing of specific projects in the region (capitation grant). The annual capitation grant for community welfare projects was equal to \$2 per head of the region's population. The projects financed had to be approved by the Commonwealth Government. During this three-year period the general control of the AAP was transferred from the Social Welfare Commission to the Department of Social Security, the Commission retaining the functions of evaluating the program and making recommendations to the Commonwealth Government at the completion of the experimental phase.

By the end of 1975 some 34 AAP regions had been approved in the six States and three in the Northern Territory ranging in population size (excluding the three regions in the Northern Territory where special problems existed) from 23,000 in the Upper Great Southern Region in Western Australia to 669,000 in the City of Brisbane Region. In all, 11 of these 34 regions had populations in excess of 200,000. Only 14 of these pilot regions were given capitation grants, the capitation grants approved to October 1975 amounting to nearly \$4.8 million. The largest individual capitation grant was \$1.7 million to the Western Region Council for Social Development in Victoria, while

the South West Sydney Regional Social Development Council also received a capitation grant in excess of \$1 million. The other 12 regions received grants ranging from \$19,000 to \$457,000.<sup>15</sup> Three-quarters of the capitation grants were for regions in New South Wales and Victoria. Details are shown in Table 29.

The Social Welfare Commission submitted a report to the Commonwealth Government in February 1976 in which it recommended that the AAP be continued and relevant legislation drafted based on 35 recommendations contained in the report.<sup>16</sup> In the 1974-75 budget the AAP allocation had been \$4.0 million and \$7.4 million in 1975-76; the recommendations of the Commission would have increased this to \$13.5 million in 1976-77 and to \$39 million by 1980-81. The Liberal-National Country Party Government provided sufficient funds in the 1976-77 Budget to meet the on-going commitments of the AAP, but indicated that it regarded the program as one appropriate for State and/or local government funding. No further specific purpose grants for the AAP are therefore likely to be provided by the Commonwealth Government.

The AAP on its formulation had four basic components: community participation, regionalism, the establishment of a new regional organisation, and financial accountability of the regional organisation to the Commonwealth Government. One of the writers, as a member of the Social Welfare Commission, rejected in the final evaluation of the AAP two of these components, regionalism and the regional organisation. In a minority report, it was submitted that the AAP would be better designed if it were based on localism, where localism was defined as being related to parts of the nation corresponding to local government areas, in contrast to regionalism which was based on the amalgamation of two or more local government areas. With the localism principle, it was also maintained that the most appropriate organisation to administer the Plan was local government.<sup>17</sup> It was suggested that this would be achieved by the provision of specific purpose block grants from the Commonwealth Government to enable local government to expand its social welfare activities.

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<sup>15</sup>Social Welfare Commission, *Report on the Australian Assistance Plan February 1976*, Canberra, 1976, pp. 154-160.

<sup>16</sup>*ibid.*, pp. 63-82.

<sup>17</sup>*ibid.*, pp. 84-85. For a review of the AAP see Tom O'Brien, *Planning-Becoming-Development. An Australian Assistance Plan Experience*, Centre for Continuing Education, ANU, Canberra, 1977.

Table 29 AUSTRALIAN ASSISTANCE PLAN  
PILOT REGIONS.

Item	NSW	VIC	QLD	SA	WA	TAS	TOTAL (6 States)
1. Number of regions	10	8	6	2	5	3	34
2. Population of regions 30.6.71 ,000	2208	2048	1217	310	215	390	6387
3. % of population of State in AAP regions	48	58	67	26	21	100	51
4. Largest population of an AAP Region ,000	425	404	669	228	78	183	669
5. Smallest population of an AAP Region ,000	40	104	66	81	23	100	23
6. Number of approved positions for Community Development Officers	35	38	23	7	14	10	127
7. Capitation grants approved to October 1975 \$000	1255	2303	176	457	264	297	4753
8. Number of regions receiving capitation grants	3	4	2	1	3	1	14

Source: *Report on the Australian Assistance Plan*, Social Welfare Commission, Canberra, 1976, pp. 154-60.

**PART TWO**

**ALBURY-WODONGA GROWTH CENTRE**

## VIII THE DECLARATION OF ALBURY-WODONGA AS A GROWTH CENTRE

Part Two of this study is concerned with a review of the Albury-Wodonga growth centre program instituted in 1973 as Australia's first multi-government regional (non-metropolitan) new city project. The Albury-Wodonga region is situated on both sides of the New South Wales-Victorian border along the Murray River, some 600 kilometres from Sydney and 300 kilometres from Melbourne. The growth centre area of 5000 square kilometres consists of the small cities of Albury in New South Wales (population 33,000) and of Wodonga in Victoria (population 14,000); and surrounding rural areas of 4500 square kilometres consisting of farm land, reserves, crown land and flood plains along the Murray River. The situation of the region is shown in Figure 10. In this region the long-term program envisaged the building of two new cities approaching 100,000 population in size by the end of the century. One of these new cities, Baranduda, would be built in Victoria to the south-east of Wodonga, and the other, Thurgoona, would be situated to the north-east of Albury in New South Wales. The project was to be a joint and co-operative effort by the Commonwealth, State and local governments.

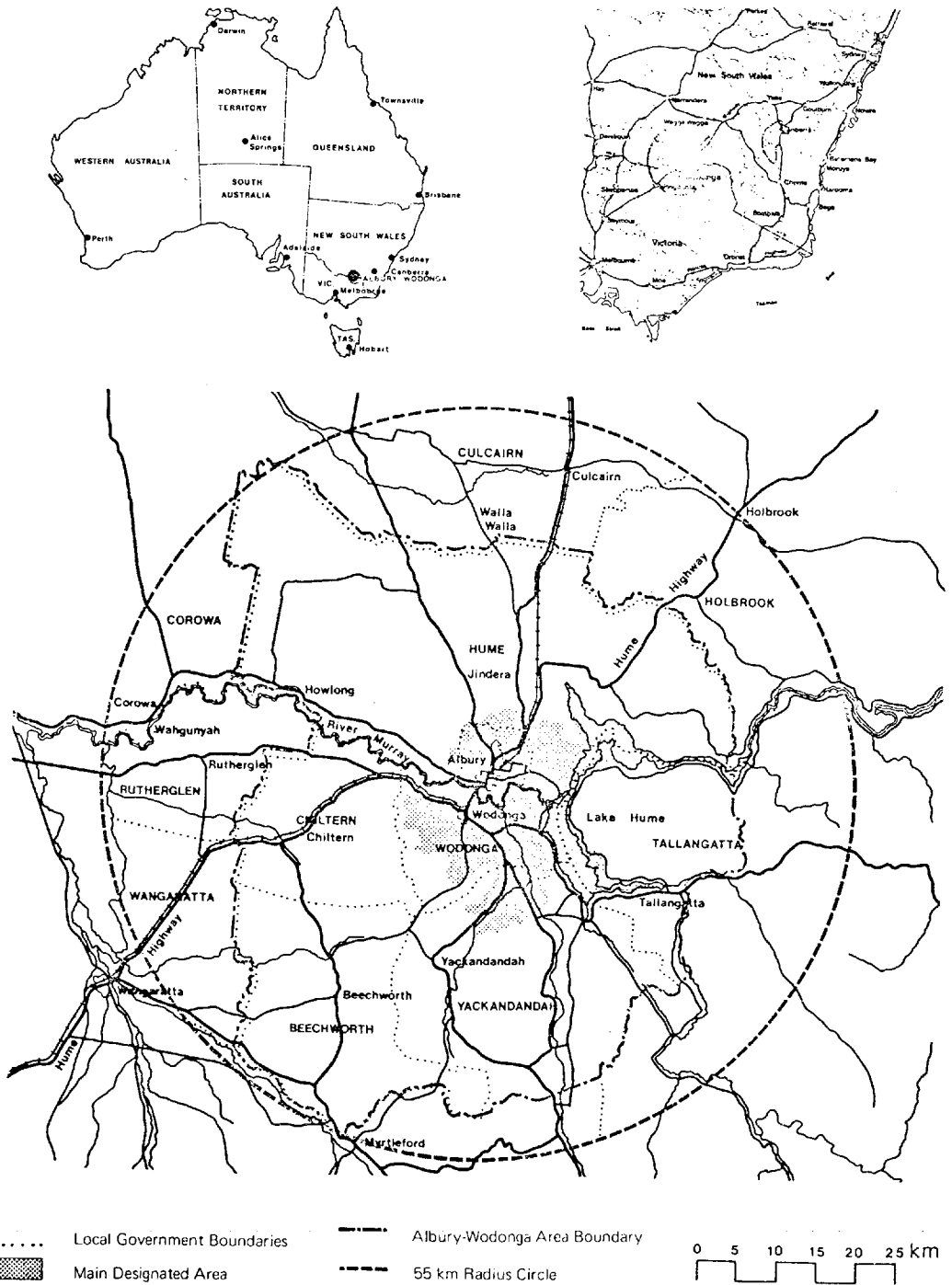
There were many problems inherent in choosing the Albury-Wodonga centre for accelerated development, and problems concerned with such matters as intergovernmental relations, the role of the statutory development corporation which will generally oversee development, and the relative isolation of the region from existing metropolitan areas, will be examined in subsequent chapters. Other difficulties arise from the fact that although the cities of Albury and Wodonga are only five kilometres apart they do not possess the same economic and social systems, and are governed by local authorities subject to different State legislation. Moreover, the transport connection between the two cities is interrupted by the existence of an agricultural fruit-fly inspection centre. Some of the differences between the two centres can be seen from Table 30.

This chapter examines the various legislative, organisational and financial arrangements that were developed for the growth centre. Subsequent chapters review events and decisions to the end of 1976 and the activities of the Albury-Wodonga Development Corporation. The last chapter attempts to evaluate the program and determine future lines of action and responsibility.

### 1. The Agreement of 25 January 1973

At a meeting in Albury on 25 January 1973 the Prime Minister and the Premiers of New South Wales and Victoria agreed that there should be an accelerated development of a major urban centre or centres in the Albury-Wodonga region, and that the Commonwealth and two State Governments should combine to achieve this objective. Following this meeting a communique and statement of points of agreement were issued.

Figure 10 THE LOCATION OF THE ALBURY-WODONGA GROWTH CENTRE



Source: Albury-Wodonga Development Corporation, *Development of Albury-Wodonga. Initial Proposals*, June 1974, p. 12.

**Table 30** SOME CHARACTERISTICS OF THE LOCAL  
AUTHORITY AREAS OF ALBURY AND WODONGA

Item	Albury	Wodonga
1. Area (square kilometres)	86	347
2. Population 30/6/76 (,000)	32.9	15.7
3. Urban proportion of population (%) 30/6/76	96	87
4. Population growth 1971-1976 (% per annum)	3.0	3.7
5. Male labour force as a % of male population aged 15 years and over	79	88
6. Female labour force as a % of female population aged 15 years and over	36	36
7. Major occupational groups in labour force (%):		
males: professional and administrative	17	8
craftsmen	40	33
armed services	3	31
females: professional and administrative	17	15
clerical	30	26
sales workers	15	13
service workers	18	22
8. Major industries of labour force (%):		
males: manufacturing	18	16
wholesale and retail	27	13
finance and community services	11	5
public administration and defence	8	40
females: manufacturing	11	13
wholesale and retail	28	26
finance and community services	30	25
entertainment	16	15
9. Males per 100 females in total population 30/6/76	97	106
10. Males per 100 females in labour force	205	314
11. Male labour force as a % of total labour force	66	76
12. Nationality of population (%)		
British	98	95
Other	2	5
13. Birthplace of population (%)		
Australia	90	83
New Zealand and United Kingdom	4	4
Other European countries	6	13

*Note:* Unless otherwise stated data refer to position at 30 June 1971.

*Source:* Australian Bureau of Statistics.

Broadly the agreement was in line with both the election promises of the Labor Party before coming into office in 1972, and the decentralisation policies of the New South Wales and Victorian State Governments (as described above in Part One). The precise details of the development of the proposed regional growth centre of Albury-Wodonga were to await a study to be carried out by the National Urban and Regional Development Authority, complementing work already done by the New South Wales and Victorian Governments in that region. The communique stated that a specific statutory corporation would be given the responsibility of undertaking the development of the new city, a view the same as that expressed by the New South Wales Government in October 1972 when it declared Bathurst-Orange a growth centre. However, the communique also stated that it was most important that local interests became involved in the decision-making processes, and particular attention had to be given to citizen participation in planning the urban development of the Albury-Wodonga growth centre.

The statement of agreement set out 18 principles that would apply to the development of the new regional growth centre. These principles were:

1. The development of a new growth complex in the Albury-Wodonga region would be fostered by the three Governments joining together to provide incentives, amenities and services.
2. Co-ordination among the three Governments at the political level would be achieved by establishing a Ministerial Council which would comprise one Minister from each of the three Governments.
3. A development corporation would be established as the statutory planning and development authority in areas designated for new growth.
4. While it was agreed that local government in the area had a great deal to contribute to achieving the growth objectives, it was also realised that the new development corporation would be concerned with projects within the existing urban centres of Albury and Wodonga, and would not confine its entire operations to the proposed new cities.
5. An initial growth centre area, called the study area, was to be defined, encompassing an area of 9500 square kilometres with a radius of 55 kilometres from the Union Bridge. Subsequent land price stabilisation legislation to be introduced would apply to this study area.
6. A feasibility study of development in this study area would be carried out and submitted for consideration to the Ministerial Council.
7. Within the study area land required for urban and other development would be defined as designated areas, and land in the designated areas would be acquired as and when needed.
8. Land price speculation should not be allowed to prejudice the success of the growth centre program, and measures would be taken to ensure that land acquisition prices did not reflect local speculative pressures on land prices.

9. To this end the two State Governments would introduce land price stabilisation legislation as soon as possible. This legislation would set the price of land to be acquired for the growth centre project on the basis of market prices ruling at 3 October 1972 indexed by an appropriate land price index to be subsequently defined and computed.
10. The development corporation would comprise three full-time commissioners with executive authority, and two part-time commissioners selected from the local community.
11. The full-time commissioners would be the chairman and two deputy chairmen of the corporation, the chairman being appointed by the Commonwealth Government and one deputy chairman by each State Government.
12. Final details of the structure of the corporation would be determined by the Ministerial Council, which would also make provision for the formation of a Consultative Council as the machinery for consultation with State and local agencies and other bodies.
13. The functions of the development corporation to be established were: to acquire land in the areas designated for urban and associated development; to plan the urban environment and land-use patterns; to provide land for development works; and to provide fully serviced sites for government and private building development. The development corporation was expected to involve established Commonwealth, State and local government authorities in the development of the growth centre complex as far as possible, and the corporation was to be given the power to undertake such works considered necessary to achieve the development objectives.
14. The development corporation would be given the power to exercise statutory planning and other relevant functions in the growth centre complex to the extent necessary for it to achieve the objectives of the project.
15. Generally the development corporation would provide fully serviced sites for development on leasehold tenure, normally for a period of 99 years.
16. The funds of the development corporation would be obtained from Commonwealth Government grants for special purposes and from long-term government or government-guaranteed loans bearing an appropriate interest charge. In the establishment period the Commonwealth and the two State Governments would finance the corporation's administrative functions.
17. If necessary the development corporation would be given the power to provide and manage municipal-type services and facilities in the designated areas. In due course, when the designated areas were developed, the administration of those areas would be handed over to local government.
18. In the development of the growth centre area priority would be given to the control of pollution and protection of the environment.

## 2. Legislation and Organisational Structure

During the months after January 1973 events moved fairly rapidly towards the formal creation of the Albury-Wodonga growth centre. On 23 October 1973 in Wodonga the Prime Minister and the two State Premiers signed the Albury-Wodonga Area Development Agreement which had been negotiated by the members of the interim Ministerial Council (the Commonwealth Minister for Urban and Regional Development, the New South Wales Minister for Decentralisation and Development, and the Victorian Minister for State Development and Decentralisation). Basically the 18 principles agreed to on 25 January 1973 were embodied in the Agreement.

The terms and conditions of the October Agreement were given legislative standing by the Commonwealth Government in the *Albury-Wodonga Development Act 1973*, which was assented to on 17 December 1973. This Act established the Albury-Wodonga Development Corporation, and set out in a Schedule the terms of the Albury-Wodonga Area Development Agreement.

The Albury-Wodonga Development Corporation was established as a body corporate, consisting of five members, the Chairman (appointed by the Commonwealth Government), two Deputy Chairmen (one each appointed by the State Governments), and two other members (part-time members, one from New South Wales and one from Victoria, appointed initially by the Ministerial Council). The functions of the Corporation were basically to develop the designated areas of the growth centre complex, but, subject to the permission of the Ministerial Council, the Corporation could also construct buildings or works outside the designated areas.

The Act gave the Corporation power to borrow money for development purposes, and, subject to the consent of the Commonwealth Minister, these funds could be borrowed from the States of New South Wales and Victoria, an approved bank, or any other lender, and in this connection the Corporation could give security over any of its assets. Additionally the Corporation would receive such moneys as were appropriated by the Commonwealth Parliament for the purposes of the Corporation, and could receive financial assistance from the States of New South Wales and Victoria. With respect to the borrowings of the Corporation, the Commonwealth Treasurer could guarantee the repayment of amounts borrowed and the payment of interest thereon. The Corporation was exempted from taxation, both Commonwealth and State. Prior to the establishment of the Corporation the Cities Commission was responsible for carrying forward the Albury-Wodonga project. In 1973 the Cities Commission established a task force at Albury-Wodonga to carry out planning studies and investigations, the task force consisting of representatives of the Cities Commission, the New South Wales Planning Authority, the Victorian Town and Country Planning Board, and consultants. The first Chairman of the Albury-Wodonga Development Corporation was appointed on 21 January 1974.

The Albury-Wodonga Area Development Agreement contained the basic provisions necessary to implement the 18 principles outlined in the

agreement of 25 January 1973. It defined the Albury-Wodonga Area as an area of land in the States of New South Wales and Victoria of approximately 5000 square kilometres, which was about one-half the originally defined study area (55 kilometre radius) of 9500 square kilometres. The Area defined in the Agreement contained the local government areas of Albury and Hume in New South Wales, and Wodonga, Chiltern, Beechworth, Yackandandah and Tallangatta (part) in Victoria. Within this Area the Development Corporation was to be given the power to consult with planning authorities and to carry out investigations and prepare non-statutory plans for the purpose of co-ordinated planning in the Area; to prepare, supervise, and carry out statutory planning schemes and orders in the designated areas within each State; and to carry out and supervise development, including construction, in the Area. The designated areas were to consist of land within the Albury-Wodonga Area specified or described in a declaration on or before 30 June 1974.

Part II of the Agreement set out the details of the organisational structure for the growth complex. As mentioned above, the Ministerial Council was to be generally responsible for supervising the development of the growth complex, the Council consisting of three members, a Minister from the Commonwealth Government and a Minister from each of the two State Governments. Resolutions of the Ministerial Council were to be carried only if all three members voted in favour of them.

Apart from the Albury-Wodonga Development Corporation described above, the Agreement also specified the establishment of two State Corporations to be constituted by Act of Parliament in each State. The Albury-Wodonga (New South Wales) Corporation was to acquire, hold, manage and provide land in New South Wales, and to provide municipal-type services and levy charges in new urban areas in greenfields development. It would also administer any buildings entrusted to it by the Development Corporation. The Albury-Wodonga (Victoria) Corporation was to perform the same functions in Victoria. Each of these State Corporations was to comprise three members, the Chairman being appointed by the relevant State Government, and the other two members, Deputy Chairmen, by the Commonwealth Government and the other State Government respectively. In practice, however, all members of the Development Corporation and the two State Corporations have been common, as has been the staff serving them.

The final component of the organisational structure was the Consultative Council, whose functions were to advise the Development Corporation in relation to the development of the growth complex on any matter about which the Consultative Council considered it desirable to tender advice, or on any matter referred to it by the Development Corporation. The Council was to consist of sixteen members, comprising: Chairman, who was to be the Chairman or a Deputy Chairman of the Development Corporation; seven members appointed by the Ministerial Council from persons nominated by local government bodies, provided that one member was to be appointed from each of the local authorities of Albury, Wodonga and Hume; and eight members appointed by the Ministerial Council from local residents who were actively interested in community affairs and representative of a wide and varied range of community interests.

In line with the Commonwealth *Albury-Wodonga Development Act* 1973, the two State Governments also passed complementary legislation. This legislation consisted of the *Albury-Wodonga Agreement Act* 1973 and the *Wodonga Area Land Acquisition Act* 1973 by the Victorian Government; and the *Albury-Wodonga Development Act*, 1974 and the *Growth Centres (Land Acquisition) Act*, 1974 by the New South Wales Government. These Acts repeated the provisions of the *Albury-Wodonga Development Agreement*, gave the State Minister powers to designate and resume land, and established the principles for determination of the amount of compensation payable to landowners. This compensation was to be based on the base date valuation (3 October 1972) plus an adjustment for price rises since that date computed from an appropriate index of land prices.

### 3. Financial Arrangements

The Agreement stipulated that the Development Corporation was to prepare and submit for consideration to the Ministerial Council each year a comprehensive forward plan for development of the growth complex. This Plan was to cover development in the public sector and the private sector during the following five financial years, and the provision of facilities and services by such times as the relevant stage of development required. The Plan was also to include statements of estimated expenditure necessary to give effect to the Plan in each of these five financial years, and in the case of development in the public sector to indicate the sources of funds to meet that expenditure. The Development Corporation in conjunction with the two State Corporations was also to prepare and submit for consideration to the Ministerial Council each year with the Plan a draft financial program in respect of the next ensuing financial year.

The Ministerial Council was to submit to the three Governments the Plan and draft financial program (with or without amendments), and the three Governments, in consultation, were to determine the amount of money each would provide in the next ensuing financial year, and the extent to which each Government endorsed the proposals for the succeeding four financial years. In the light of the decisions of the three Governments, the Ministerial Council would approve a plan covering development during the five financial years included in the Plan (*Approved Albury-Wodonga Development Plan*) and the financial program for the three Corporations (*Approved Financial Program*).

Under the Agreement the Commonwealth Government was to provide funds for facilities and services ordinarily provided by the Commonwealth for the direct capital expenditure of the Development Corporation and the two State Corporations, and for the developmental expenses of the Development Corporation (to the extent that these could not be met from its loan funds and other income).<sup>1</sup> The administrative expenses of the

<sup>1</sup>Developmental expenditure included: salaries, wages, allowances and superannuation payments for professional and ancillary staff concerned generally with the physical planning of the growth complex, the staff of the two State Corporations, and the members of the Development Corporation; services rendered by consultants; and such other items determined by the Ministerial Council.

Development Corporation were to be met in equal shares by the three Governments, while the State Governments or State statutory bodies were to provide the funds required for all other items in the Approved Plan.

The financial arrangements with respect to the Commonwealth Government were contained in the *Albury-Wodonga Development (Financial Assistance) Act 1973*.<sup>2</sup> This Act provided for financial assistance to the States of New South Wales and Victoria for expenditure on the approved program for the development of the growth complex. The assistance was to be based on expenditure by the State Government, the State Corporation, any other State authority, or a local governing body. The assistance could consist of reimbursements for funds expended or advances on account of payments that may become payable.

Where the payment or advance to the State was for the purposes of acquiring land, a distinction was made between land intended for urban use (including the provision of urban facilities) and other land. In the former case, the payment or advance was to be by way of loan, with a redemption period not exceeding 30 years, and with interest at the long-term bond rate. The repayment of principal and the payment of interest on these payments or advances could be deferred for a period not exceeding 10 years on agreement between the Commonwealth and State Governments. Any interest payments deferred would be capitalised. Where land other than urban land was to be acquired the payment by the Commonwealth Government to the State Government was to be by way of a grant. However, when the payment to the State in this instance was in respect of expenditure incurred by the Development Corporation or an authority of the State, the Commonwealth grant was conditional on the State also making a grant to the Corporation or authority equal to a predetermined proportion of the Commonwealth grant.

In line with these arrangements the State Governments subsequently introduced the Municipal Assistance Program whereby financial assistance was made available to the local governments in the Area on a one-third grants/two-thirds loans arrangement, with interest on the loans being deferred for five years.

The 1973 Act appropriated a maximum amount of \$9 million to be provided by the Commonwealth Government in the 1973-74 financial year. Provisionally \$8 million of this was intended for land acquisition and the balance for upgrading infrastructure and municipal services. Appropriations in subsequent years (together with amounts for other growth centres) were contained in the annual *Urban and Regional Development (Financial Assistance) Act*.

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<sup>2</sup>Similar provisions for other areas were contained in the *Growth Centres (Financial Assistance) Act 1973* and the *Land Commissions (Financial Assistance) Act 1973*.

#### 4. Summary

The final organisational pattern that emerged for the development of the Albury-Wodonga growth centre may be summarised as follows:

- (i) General overall control was to be exercised jointly by the Commonwealth, New South Wales and Victorian Governments through the Ministerial Council.
- (ii) A specific-purpose regional authority, the Albury-Wodonga Development Corporation, was to be responsible for the development of the designated areas within the growth centre area, but with powers to undertake development within existing urban areas controlled by the local councils.
- (iii) Because of constitutional requirements, two State Corporations were to be established mainly to acquire land in their respective States.
- (iv) The Development Corporation was to be advised by, and to seek advice from, a Consultative Council.
- (v) The Development Corporation was to be financed mainly from loan funds, acting basically as a public land development and construction authority. In essence its operations were to be governed by normal commercial principles, with interest to be paid on its loan funds at market rates. No explicit or implicit government subsidies to keep down land or building prices in the Area were envisaged, other than those operating through the land price stabilisation legislation.
- (vi) The Commonwealth Government was to provide financial assistance to State Governments in the form of grants and long-term loans. Provisions existed for the deferral of repayments of principal and payments of interest.
- (vii) Local government could participate in the financial assistance programs, but it did so through its association with the State Governments. The Municipal Assistance Program constituted the main form of financial assistance to local government in the growth centre area.

## IX A REVIEW OF EVENTS AND DECISIONS FROM 1973 TO 1975

In Chapter VIII an analysis was made of the January 1973 agreement between the Commonwealth, New South Wales and Victorian Governments to establish the Albury-Wodonga growth centre, and of the subsequent legislation that constituted the organisational structure and financial arrangements. Chapter X below examines the formation and activities of the Development Corporation, which was to be the operational component of the organisational structure. General overseeing of the entire program was the responsibility of a Ministerial Council, and public participation was to be sought through a Consultative Council. This Chapter will be concerned mainly with these last two organisations.

### 1. The Formation of Interim Committees

Following the January 1973 agreement, three committees were formed to initiate the proposed growth centre project. The first of these was the Ministerial Council, consisting of the Commonwealth Minister for Urban and Regional Development, the Victorian Minister for State Development and Decentralisation, and the New South Wales Minister for Decentralisation and Development. This Council was the general policy-making body in the organisational structure.

Professional advice for the establishment of the growth centre was to be given to the Ministerial Council, pending the establishment of the Development Corporation, by an Interim Officials' Committee, consisting of the Commissioner of NURDA, the Chairman of the Town and Country Planning Board of Victoria, and the Director of the New South Wales Department of Decentralisation and Development. At the lower operational level, a Joint State Steering Group was formed to supervise the preliminary studies of the growth centre area and to report on these studies to the Interim Officials' Committee. This Steering Group comprised representatives from NURDA, The Victorian Town and Country Planning Board, and the State Planning Authority of New South Wales.

### 2. The Interim Period January to October 1973

In the period between the January agreement and the passing of the necessary legislation by the Commonwealth Government in October 1973, the three committees listed above examined a number of matters relevant to the final formulation of the growth centre policy. The most important of these matters were: local participation; land acquisition and land price stabilisation; preliminary studies of the planning areas; planning responsibilities and controls; and the form and functions of the proposed development corporation.

(a) *Local participation.* The Ministerial Council supported the need for local participation in the growth centre programs, and decided to

establish an Interim Consultative Committee pending the formal constitution of the Consultative Council. The membership of the Interim Consultative Committee was announced in April 1973, and comprised a chairman (nominated by the Commonwealth Government), two deputy chairmen (one each nominated by the State Governments), and 14 local representatives (6 nominated by each State Government and 2 by the Commonwealth Government). The function of this Interim Consultative Committee was to advise the Ministerial Council on issues of concern to the local community.

(b) *Land acquisition and price stabilisation.* The Ministerial Council agreed that each State Government should legislate for land price stabilisation as soon as possible, and that identical principles should apply in both States for the determination of compensation for land acquisition. It was not anticipated that land acquisition would occur before the year 1973-74. Until the State Corporations were established, land would be acquired as necessary by existing State authorities.

(c) *Planning areas and preliminary studies.* The January 1973 agreement had defined an initial study area for the growth centre as 9500 square kilometres contained in a circular area of radius 55 kilometres from the Union Bridge. Subsequently the Ministerial Council decided that this area was larger than required, and that a lesser area would be announced by 30 June 1973. In the event the growth centre area was reduced to 5000 square kilometres (see below Chapter XI). Within this reduced area land would be acquired in designated areas, and these latter areas would be announced no later than 30 June 1974.

(d) *Planning controls and planning responsibilities.* The Ministerial Council regarded it as imperative that the respective planning responsibilities of the proposed development corporation and of local government should be clearly defined. It also saw a need for ensuring that local government consulted with the corporation on any planning proposals which would have an impact on any overall plan for the growth centre complex. It was decided that matters of dispute between the corporation and local government should be referred to the appropriate State Minister, and failing resolution at that level to the Ministerial Council.

While the Ministerial Council saw the development corporation as being responsible for planning and development at the operational level, it realised that the performance of these functions could not await the formation of that corporation. It therefore established a Planning Co-ordination Committee, with representatives from the Cities Commission and the State planning authorities, to allow normal planning to proceed in this interim period, and to ensure that the necessary preliminary studies of the growth centre were implemented.

(e) *The development corporation.* The Ministerial Council also evolved directives and guidelines relating to the structure, functions, powers, methods of finance, consultative machinery and relationships to other levels of government of the proposed development corporation. The features of the Corporation as finally determined are outlined below in Chapter XI. Basically, however, the corporation was to be set up as a Commonwealth statutory authority with full responsibility at the

operational and planning level for the development of the areas designated for new urban growth.

(f) *Financial arrangements.* The financial arrangements contained in the October 1973 legislation have been outlined above in Chapter VIII. These arrangements represented decisions of the Ministerial Council announced in July 1973. Broadly the Commonwealth Government was to provide loans to finance the acquisition of land by the States, the loans to be repaid out of the income eventually generated by the growth centre programs. The long-term financial view of the growth centre was therefore one of its being a public sector commercial land development project.

(g) *Interim Consultative Committee.* This Committee was formed in May 1973 and made several recommendations to the Ministerial Council largely on matters concerned with health and welfare, education and environment, and the need for public participation in the planning process. These areas of social and economic need were themselves analysed by the Committee through the establishment of a number of advisory committees: sport and recreation, youth needs, the church and the community, health, welfare, education, environment and conservation, pre-schools and day care, creative and performing arts, and business, allied trades and labour.

### 3. The Period Since October 1973

Following the signing of the Albury-Wodonga Development Agreement the Ministerial Council issued a statement outlining the principles and policies to be followed in implementing the agreement.

The first question to be decided was that of land tenure for land developed by the proposed Development Corporation. The Commonwealth Government strongly supported long-term leasehold tenure, but this was not supported by the New South Wales Government. Finally it was agreed that for residential land, but not for other land, the decision would await the report of the Commission of Inquiry into Land Tenure. For non-residential land leasehold tenure was to apply. Subsequently in the light of the findings of the Commission of Inquiry, it was decided in April 1974 that the Development Corporation would supply fully serviced residential sites on a residential fee simple tenure subject to the reservation of development rights in respect of future changes in use.

The Ministerial Council also agreed that there would be no compulsory acquisition of land which was zoned urban within the City of Albury, and for which planning consents required for urban subdivision had been granted in Wodonga. However, the Council did not restrict the right of the Development Corporation to acquire such land on the open market on a voluntary sale basis, provided it sought and received the unanimous approval of the Ministerial Council. All other land to be acquired in the designated areas would be purchased according to the terms and conditions of the land acquisition legislation (including compensation provisions) of the two States.

The initial acquisition of land was a small parcel near Wodonga announced in December 1973. At the same time municipal works to be carried out by the Wodonga Council were also announced. These works were for water supply, sewerage, roadworks and park improvements in the area, and were to be financed by a Commonwealth Government grant of \$300,000 and a loan of \$600,000.

At the same time the Interim Board of the Albury-Wodonga Development Corporation was established and the first Chairman appointed in January 1974.

In April 1974 the Interim Consultative Committee was disbanded and replaced by the formal Consultative Council. Of the 16 members of the new Council, seven were selected from nominations made by local government in the Albury-Wodonga region (including one from each of Albury, Wodonga and Hume), and eight members from local residents. The last member, the Chairman of the Council, was the Chairman of the Development Corporation.

By the end of June 1974 the preliminary planning studies for the growth centre were completed and were placed on public display in Albury. The preliminary plans indicated that about 11 per cent (540 square kilometres) of the growth centre area (of 5000 square kilometres) would be designated, but it was made clear that some of this land would not be acquired for many years, and actually some of it might not be acquired at all. The time program for acquisition would depend on the availability of funds and the rapidity of development.

In September 1974 the Ministerial Council approved the first five-year development plan for the region. This plan was then referred to each Government for consideration and consultation to determine the level of funds to be made available in the current financial year, and the extent to which the Governments supported the level of expenditure proposed in the following four years. At this time the Ministerial Council also authorised the State Corporations to proceed with the purchase of land in the designated areas that was in accord with the priorities and plans of the Development Corporation. The State Corporations could also purchase other land in the designated areas if it was offered for sale by the owner; however, it was agreed that early acquisition of land should occur only in cases where the owner demonstrated hardship. Further land was also designated on the fringe of the smaller Victorian country towns of Chiltern, Barnawartha, Beechworth and Yackandandah.

In May 1975 the Ministerial Council considered the short and medium term planning strategies prepared by the Development Corporation, and agreed to their public exhibition for a period of three months. It was also agreed that residential land within the Corporation's first development in Wodonga should be sold as soon as possible to genuine home builders.

During these early years most of the capital funds required by the Development and State Corporations came from the Commonwealth Government under the terms and conditions of the financial agreement. In 1973-74 the Commonwealth Government provided \$2.4 million to the

Albury-Wodonga project, and this rose to \$42.3 million in 1974-75. Of this latter amount some \$38 million was used to acquire land in the designated areas and to enable the Development Corporation to plan its development options and strategies for the growth centre. The amount allocated in the 1975-76 budget was \$40.4 million, but following a change of government in December 1975 the future of the growth centre programs became uncertain for some months. This aspect of the problem will be examined below in Chapter XII.

## X THE ALBURY-WODONGA DEVELOPMENT CORPORATION

As noted above in Chapter IX, the first Chairman of the Albury-Wodonga Development Corporation was appointed in January 1974. The Corporation was established as a Commonwealth Government regional authority with full responsibility for the planning and development of the growth centre area, but particularly with responsibility for the construction of the new urban centres. The area for which the Corporation was responsible encompassed 5000 square kilometres, within which smaller areas, defined as designated areas, were to be declared before 30 June 1974. The designated areas were those parts of the growth centre complex where the Corporation would acquire land and where sites for the development of new cities would be located. The Corporation would not acquire land within the boundaries of the urban centres of Albury and Wodonga.

The first designation of land within the growth centre area was made in February 1974, consisting of 700 hectares on the outskirts of Wodonga; this was followed by a designation of 1493 hectares in New South Wales in April, 1160 hectares in Victoria in mid-June, and the final and major designation on 29 June 1974. This final designation made the area of land designated 54,000 hectares, about 11 per cent of the total area within the growth centre complex. During the first year of its operations the Corporation did not actually acquire any land within the designated areas, although 21 agreements were made for the purchase of land with owners in New South Wales and Victoria. These agreements committed the Corporation to an outlay of about \$4.4 million.

Apart from the identification of the designated areas and negotiations of agreements with landowners, the major work of the Corporation in its formative period was the commissioning of a number of studies which may be broadly defined as the Albury-Wodonga Structure Plan Studies. These studies, which were completed by the end of the year 1974-75, comprised such elements as options for development within the area, a land acquisition strategy, consideration of alternative sites for the new cities, time strategies for development north and south of the border, the form and shape of the new cities, water supply and sewerage, the River Murray ecological study, areas of conservation value, recreation, airport sites, the place of the older cities of Albury and Wodonga in the new developments, and the place of the smaller rural (or peripheral) towns in the context of growth centre development. These studies, of course, formed only the preliminary component of what would become a major ongoing commitment of the Development Corporation as the development of the growth centre proceeded.<sup>1</sup>

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<sup>1</sup>Apart from reports mentioned subsequently in this section, other major publications include: *The Role of Tourism and Recreation in the Albury/Wodonga Growth Centre*, 1975; *Planning for Albury/Wodonga. An Environmental Assessment*, 1975; and *Albury/Wodonga Survey of Establishments*, 1975.

It is not the intention to describe in any detail the various recommendations and findings of the Structure Plan Studies. What are important for this analysis are the decisions made and acted upon by the Corporation after consideration of all the various reports and studies commissioned or undertaken by it.

In broad terms the initial goal of the growth centre program was to build a growth centre complex (consisting of new cities, the old cities and towns, and rural areas) with a population of 300,000 by the year 2000, a population over six times larger than that in the Area in 1974. The time pattern of growth was seen as one of relatively slow expansion up to 1980, then rapid expansion over the next fifteen years, followed by a gradual slowing down in the final five-year period 1995-2000.

The Development Corporation was to be responsible for the building of new cities in the designated areas, while local governments were to remain generally responsible for their existing urban areas. The policy implications of this responsibility given to it were seen by the Corporation as requiring it to provide incentives to assist persons and firms wishing to relocate in Albury-Wodonga; to build a high quality level of physical and social infrastructure; to provide the major part of community facilities prior to or on the arrival of the migrants; to protect the life styles of the existing population; to ensure that the advantages of growth were equally shared by the existing residents and newcomers; to compensate adequately for land acquired; to intrude to a minimum into the local ecology; to preserve places of historical interest and importance; and to seek maximum flexibility in planning.

The Corporation viewed the attainment of the projected population growth of Albury-Wodonga as requiring first the interception of population which would otherwise migrate to the capital cities, and second the drawing of population from the capital cities themselves. To achieve these two requirements the Corporation saw the need for a strong continuing commitment by all three Governments to the regional growth centre concept, necessitating the relocation of State and Commonwealth Government departments and instrumentalities; the establishment of a tertiary education complex; large expenditure on infrastructure; advice, combined with incentives, to companies and persons contemplating relocation; and the provision of industrial estates for industry.

In its first major report, *Development of Albury-Wodonga as at June 1974*, the Corporation outlined its initial proposals for the development of the growth centre.<sup>2</sup> These proposals were mainly related to the selection of the site for a new city or cities, and various kinds and forms of development of the urban settlements. In broad terms the Corporation favoured a phasing of development which saw the early development of the new town of Baranduda in Victoria,

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<sup>2</sup>See also Albury-Wodonga Development Corporation, *First Annual Report for Period Ended 30 June 1974*, AGPS, Canberra, 1976; and *Albury/Wodonga Short and Medium Term Plans*, March 1975.

followed by the later development of the new town of Thurgoona in New South Wales.

The Development Corporation had previously established the policy that it would acquire no land within the existing urban areas of Albury and Wodonga, and it was subsequently decided that this policy would apply to the existing urban areas of the smaller towns as well. However, in the case of four of these towns - Yackandandah, Beechworth, Chiltern and Barnawartha in Victoria - it was decided to designate land on the urban periphery because it was felt that these towns would become subject to increasing development pressures as the growth centre complex expanded. By declaring designated areas, the State Corporation was given the right to acquire land if desired to ensure that development occurred in a co-ordinated way, that servicing costs were contained, and that the present characters of these towns were preserved as far as possible.

One point of interest with respect to land tenure is worthy of note again at this juncture. Originally the Commonwealth Government had supported the general principle that all land developed by the Corporation should be provided on a leasehold basis. This principle was not generally favoured by the State Governments. In April 1974 the Ministerial Council agreed that land tenure for residential sites in Albury-Wodonga (i.e. for land developed in the designated areas) would be freehold of the type recommended by the Commission of Inquiry into Land Tenures. This meant that the freehold for a particular block of land would be for a specified type of residential development, subject to the reservation of development rights in respect of future changes in use or more intensive use. However, except in exceptional circumstances, all land for retail, commercial and industrial usage would be provided under a leasehold system.

The procedures by and through which planning and financial arrangements are to be carried out by the Development Corporation are described above in Chapter VIII. In general these procedures involve the preparation annually of a development plan covering the ensuing five year period and a financial program for the first year with respect to the activities of the public sector in the growth centre complex. The initial proposals and programs of the Development Corporation are detailed in its *1975-76 Proposed Albury/Wodonga Development Plan* issued in September 1975. This proposed plan covers the period 1975-76 to 1979-80.

Basically the Plan, as approved by the Ministerial Council, accepted the southern development strategy mentioned above, which meant that the first major thrust into what was referred to as "greenfields development" would take place at Baranduda in Victoria, while the main development at Thurgoona in New South Wales would be delayed until 1977-78. In line with this strategy priorities for land acquisition in the New South Wales designated areas were to be given to the Thurgoona Area and to land required to complete an extension of the Springdale Heights Estate that the Development Corporation was developing at Lavington on the north-eastern outskirts of Albury. In Victoria priority of land acquisition was to be given to land in the Baranduda Area, and to land required for any necessary headworks

required to be commenced in the next two years.

Apart from the Springdale Heights Estate developed by the Development Corporation on the outskirts of Albury, the Development Corporation also developed the Willow Park Estate on the south-western outskirts of Wodonga, Dallinger Road Industrial Estate at Lavington, and Industrial Estates at East and West Wodonga. The Clyde Cameron National Trade Union Training College is being constructed near the Willow Park Estate at Wodonga. The kinds of activities proposed by the Development Corporation for the 1975-76 year are summarised in Table 31.

It is not possible at this juncture to measure the extent to which the 1975-76 proposals were achieved. Such evidence as exists suggests that the degree of attainment has been below that planned, a conclusion supported by the degree of uncertainty about the future of the growth centre program that followed the change of government in Canberra in December 1975. For a period of some months a situation almost of gloom settled on the planners as the commitment of the new Commonwealth Government appeared doubtful. During this period activity tended to decline and be confined to actual programs then in operation or on the drawing boards. The initial allocation of funds to the growth centre program was below that expected, and it was not until October 1976 that the Commonwealth Government allocated a further amount to keep the project going. More will be said about this matter below in Chapter XI.

The success of the Albury-Wodonga Development Corporation in achieving the objectives of the growth centre programs depends on four main factors: (a) its own professional competence; (b) the degree to which the Corporation is accepted by the local community and the extent of co-operation between the Corporation and the local community; (c) the ways in which other government departments and agencies co-ordinate their activities with those of the Corporation; and (d) the continued and firm commitment of the Commonwealth and State Governments to make the growth centre program workable.

(a) *Professional competence.* Although Albury-Wodonga was the first multi-government regional growth centre declared in Australia, considerable local experience existed through the planning of Canberra, and knowledge about overseas projects was common among the professions in Australia. However, in two ways the Albury-Wodonga project posed questions that were not answerable from the Canberra situation or from overseas experience. The first of these questions was based on location of the growth centre at such distances from the metropolitan centres of Sydney and Melbourne. Overseas experience in this regard has been mainly limited to the development of new towns close to existing and growing centres of concentrated population, so that the main objectives of the program have been to accommodate the growing population not to attract population to the region where the growth centre (new town) was located. In France there has been a goal of diverting population growth away from Paris, but the alternative centres of growth have been existing regional capitals of over 500,000 persons.

**Table 31** ALBURY-WODONGA DEVELOPMENT CORPORATION  
SUMMARY OF PROPOSED ACTIVITIES FOR 1975-76

	New South Wales	Victoria
Purchase of 8,400 hectares of land	3,300 ha.	5,100 ha.
Site planning and design of 1,300 blocks of land	550	750
Site development of 650 equivalent blocks of land	310	340
Site planning and design of 117 hectares of land for retail, industrial, etc. use	5 ha.	112 ha.
Site development of 89 hectares of land for retail, industrial, etc. use	45 ha.	44 ha.
Landscaping of completed areas	*	*
Establishment of plant nursery	*	
Full construction of 85 houses and flats	18	67
Part construction of 323 houses and flats	145	178
Part construction of hostel accommodation		*
Part construction of office building West Wodonga		*
Part construction of office building Albury	*	
Construction of two small local shops	1	1
Construction of 8 nursery industrial buildings	4	4
Extension of trunk mains and other headworks for subdivisions in North Albury and Wodonga	*	*
Design, survey and some construction of headworks for new Corporation areas	*	*
Design, survey and some construction of the first stage of the major arterial road system		*
Continuation of studies and investigations in fields that form an integral part of the development program	*	*
Development of regional recreation areas	*	*
Purchase and restoration of buildings, etc. of local interest	*	*
Part construction of two general purpose public halls	1	1
Installation of electricity reticulation in Corporation subdivisions in Wodonga		*
Provision of attraction assistance to selected industries	*	*

\*Refers to State in which activity is to be located, full details of which were not available.

Source: 1975-76 Proposed Albury-Wodonga Development Plan, p. 7.

One of the major problems confronting the planners of Albury-Wodonga is how to attract sufficient industry to the region to provide the jobs for the target population. To achieve the original population targets, the peak growth period would have required the creation of about 6000 to 6500 new jobs per annum in the region. In metropolitan growth centres, on the other hand, concern is not about jobs, but about the accommodation of people who are being attracted to the metropolitan regions because of the general availability of jobs. The distinction is important because most effort to date in growth centre programs has been devoted to the acquisition of land, the development of infrastructure, and the institutional arrangements. Largely this consists of project planning rather than integrated program planning. In contrast, relatively little work has been done on how to establish economic bases for new cities, and on the strategies to attract economic activity to those cities which are proposed growth centres relatively remote from the existing concentrated areas of industry and population. Although Canberra, when selected as the site for a national capital, was remote from Sydney, the fact that its economic base - central government - was predetermined made the industry attraction problem less acute.

The second question to which overseas or Australian experience does not provide any answers for the Albury-Wodonga development is concerned with intergovernmental relations. Within this growth centre complex it was envisaged that the three levels of Australian government would have a role to play, and that new statutory corporations would be established. Except to a limited extent in the United States, the problem of federal financial and functional relations does not normally arise in overseas growth centre programs.

(b) *Acceptance by the community.* The second element confronting the Corporation in implementing its growth centre programs and achieving its objectives is how to ensure that its specific role is understood and accepted by the local community. Outsiders analysing the local community can gain only impressions about such matters as this from what people say, and it is difficult, if not impossible, to judge the validity or credibility of all that is said. Certainly, in our investigations in Albury and Wodonga, we have encountered much suspicion of, if not hostility to, the Development Corporation; a great deal of dissatisfaction that the Development Corporation has been entrusted with the task of planning and constructing the growth centre; some degree of antagonism between the various local organisations involved in the growth centre programs; a lack of appreciation among many local organisations of the need for and value of citizen participation in decision making; and the elitism that characterises many professional planners in their regard for local opinion and expertise.

Much of the opposition to the establishment of the Development Corporation is, in our opinion, misplaced. The difficulties inherent in planning the new regional growth centre complex discussed above make it apparent that the resources and professional expertise of local government and local developers were inappropriate and insufficient to carry out this unique and experimental program. The

uniqueness of the program, certainly in Australia if not in the world, made it necessary to establish a specific regional authority whose tasks were to solve the contentious issues, produce the plans, and carry out the policies necessary to achieve the goals of the program. It is not unrealistic to compare the Albury-Wodonga project with the Snowy Mountains Scheme in terms of the complexity of the problems facing the decision-makers. Clearly the expertise assembled by the Snowy Mountains Authority could not have been achieved by co-operative arrangements between local authorities and private developers.

Of course, local government is not unexpectedly suspicious that the Development Corporation is taking over some of its traditional functions, and that the long-run effect of the organisational structure will, or is even intended to, change the structure of local government as that now exists, upgrading it in a spatial sense to regional government. Certainly some pronouncements have lent weight to these suspicions. A somewhat contrary view has been expressed by the Development Corporation which has given the opinion that it will regard its activities as being successful when it can go out of existence and hand over the future administration of the area to the appropriate local authorities. Whether the appropriate local authorities twenty-five years hence will be the same as those now existing is unknown, and is not really relevant to the current discussion. Two things are required now: first local government should see and understand its role in the development of the growth centre complex, and second local government should not feel endangered and uncertain of its future existence because of the creation of the growth centre. How each of these situations may be reached will be discussed below in Chapter XII. In particular, in arriving at solutions, it will be necessary for metropolitan-based administrators and planners to appreciate the different attitudes of people living in Australian country towns, and the natural and generally warranted suspicion of these people about decisions made at, or emanating from, the centre.

Some of the attitudes of existing residents and newcomers can be assessed from surveys carried out by the Development Corporation. The first of these surveys, as part of a public exhibition staged in Albury-Wodonga in July 1974, sought opinions from people who visited the exhibition, on various aspects of the growth centre program. Although it is accepted that the views expressed do not represent a random sample of opinion in that area, it is still informative to note some of the main kinds of response. First, 65 per cent of the respondents said they were in general agreement with the selection of Albury-Wodonga as a growth centre; while 25 per cent said they were not in agreement. The main reason for opposition expressed by the opponents of the growth centre program was that they were concerned that it might destroy their present life style. With respect to the organisational structure in the region (including the Consultative Council) 64 per cent of respondents thought the arrangements were adequate, but 20 per cent thought that the arrangements could be improved. One of the interesting opinions expressed was that while people in general believed that the new cities when built would be better places to shop than the existing urban centres, a

much smaller proportion of the respondents regarded the new cities as preferable locations in which to live, bring up children, or retire. Moreover, over one-half of the respondents said they would not move out of the present urban areas as the new cities developed.<sup>3</sup>

In February and March 1975 the Development Corporation also undertook a household survey in Albury-Wodonga as part of its objective of being conversant with the attitudes of local inhabitants. This survey was concerned with such aspects as employment, housing, mobility, leisure and kinship of the residents, and the attitudes of people to the Albury-Wodonga Area and facilities therein. Among the responses of most significance for this study include the view that jobs for young people and for mothers of young children were not generally available in the Area; that nearly one-sixth of newcomers to the Area liked nothing particular about the Area, but one-half liked the geographical features of the Area, and over one-third liked the small town qualities and characteristics of the Area; and that the particular dislikes about Albury-Wodonga by newcomers were centred around poor urban form and design, and the lack of urban social, cultural and economic facilities. Very few people complained about the remote location of the cities.<sup>4</sup>

(c) *Co-ordination.* The third general problem facing the Corporation is the need for co-ordination with other government departments and agencies. While the Corporation is given certain statutory functions and powers, it is not able, of course, to ensure that all other bodies which are concerned with aspects of physical or social planning in the growth centre area will respond to its initiatives. As far as all other government bodies are concerned, the planning of the Development Corporation is indicative not command. This, of course, also applies to the private sector.

To achieve some degree of co-ordination in the area the Albury-Wodonga Regional Co-ordinating Group has been established, along the lines of the Victorian Regional Co-ordinating Groups discussed above in Chapter VI, Section 4. This Group has the functions of providing a means for direct liaison with State agencies in matters of works and services, assisting in the co-ordination of planning of related works and services in the area, and promoting a greater mutual interest and a more cohesive effort. However, the Group is only an advisory organisation, reporting to State Governments and to the agencies which its members represent.

In the case of Victoria arrangements are being made to widen the co-ordination which is occurring between the Albury-Wodonga Regional Co-ordinating Group and the Albury-Wodonga Development Corporation by relating their activities to the work of the Special Task Group on the Co-ordination of Forecasts (see Chapter VI). This Task Group is of importance to the work of the State Co-ordination

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<sup>3</sup>Albury-Wodonga Development Corporation, *New City Survey*. (Brochure)

<sup>4</sup>Albury-Wodonga Development Corporation, *Albury-Wodonga Household Survey. Report of First Findings*, August 1975.

Council in gradually evolving a strategy for the State of Victoria.

The problem of co-ordination of policies is further aggravated by the involvement of the Commonwealth Government, two State Governments, and local authorities from the two States. Any plan for development drawn up by the Development Corporation, given the limited functions of the Corporation in the growth centre area, will, to become effective, require a considerable degree of integration with the plans of a wide variety of other government organisations. In one sense the plans of the Development Corporation may incorporate the intentions of these agencies; but in another sense the attainment of the Corporation's goals may depend to a large degree on favourable responses from other agencies. There does not exist in the Albury-Wodonga area the high degree of integration that exists in Canberra, where only one level of government is involved. In the complex political structure of the Albury-Wodonga growth centre, the greatest difficulty in attaining a high degree of co-ordination appears to lie not in devising a way of integrating State programs, but in obtaining co-operation and co-ordination between organisations from the different States, and between State and Commonwealth organisations.

The problem facing the Development Corporation in this respect stems from the fact that it is a specific-purpose regional authority, whereas many of the organisations with which it deals, or comes into contact, are multi-purpose government departments and agencies, whose responsibilities encompass areas much greater than that of the growth centre, and whose priorities do not list the development of the regional growth centre relatively high in their overall planning strategies. In contrast, of course, the Development Corporation has only one priority, to develop the growth centre. This apparent conflict of objectives is illustrated by the situation in Victoria where the Albury-Wodonga area is but one of many to be considered by the Special Task Group on the Co-ordination of Forecasts and by the State Co-ordination Council in its overall State strategy. Thus the constraints under which the plans of the Development Corporation are devised and implemented emanate from numerous sources outside its direct control. The extent to which these constraints limit the effectiveness of the Development Corporation in achieving its objectives will depend on the general priorities given to the growth centre program by the Commonwealth and State Governments, and the degree to which the priorities of the different Governments are harmonised.

(d) *Commitment.* A problem which faced the Development Corporation for several months after the December 1975 change of Government in Canberra was the insecurity of its continued existence, due to a lack of firm commitment by the Commonwealth Government. For reasons of economy, the new government in Canberra regarded the growth centre project as some kind of social experiment which it could not afford to support without reservation. Moreover, the Commonwealth Government also regarded the function of urban planning and development as being a State function. The initial uncertainty such views created in Albury-Wodonga did not assist the Development Corporation in its activities throughout 1976. In particular, the Development Corporation is more likely to be accepted by the local community when its main

activities are concerned with the construction of the new cities. To date, the activities of the Development Corporation have been largely restricted to designated areas on the fringe of the existing urban areas, where development could reasonably have been planned and controlled by local government. Most opposition to the Development Corporation will be generated when it operates on a small scale close to existing development. The value of having a Development Corporation will become most apparent only when large-scale new development begins in locations away from the existing urban areas. The justification for Commonwealth support for regional and metropolitan growth centres is based on many economic, social and environmental factors, which may be summarised in the two principles that the quality of urban life is a superior public good of increasing significance in affluent societies, and that the rising urbanisation of the population must be compatible with high quality and resilient social and physical environments.

As the Australian Institute of Urban Studies has said, the Commonwealth Government should give "long-term support for a large-scale and urgent new-city programme on a national basis", and a new Commonwealth organisation should be constituted to guide the national new-cities program. Moreover, the "States do not have the funds to go it alone on new cities...The Commonwealth...with its command of financial resources and its control of economic policies, has the power to marshall the resources of Australian taxpayers for new cities far beyond the scope of the States...it is appropriate that the allocation of public funds for this purpose should be made within the broad framework of a national strategy".<sup>5</sup>

However, it was not until 5 November 1976, nearly one year after the change of government in Canberra, that the uncertainty about the future of Commonwealth involvement in the Albury-Wodonga growth centre was resolved. On that date the Minister for Environment, Housing and Community Development announced the allocation of a further \$6 million to the project, making the annual allocation \$21 million, some \$9 million less than the previous year. At the same time he stated that the Commonwealth Government proposed to regard Albury-Wodonga as a national pilot project which would constitute a practical demonstration of how selective decentralisation worked, the degree of success of which would provide a guide in shaping the future direction of decentralisation policies. This announcement by the Minister was followed by the issue of a joint communique by the Ministerial Council for Albury-Wodonga on 8 November of eight points of agreement, including a reaffirmation of the firm commitment of the three Governments to the future development of Albury-Wodonga, and the endorsement by the Commonwealth Government of the growth centre as a national pilot project in selective decentralisation.<sup>6</sup>

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<sup>5</sup>Australian Institute of Urban Studies, *First Report of the Task Force on New Cities for Australia*, AIUS, Canberra, 1972, pp. 4 and 17.

<sup>6</sup>Minister for Environment, Housing and Community Development, News Release, Canberra, 5 November 1976 (P76/54), and Albury-Wodonga Ministerial Council Meeting, 8 November 1976 - Points of Agreement.

However, these new commitments to the project have not been without their costs, in terms of both the extent of proposed development and the activities of the Development Corporation. These aspects will be discussed in the next chapter.

## XI ALBURY/WODONGA IN 1976 AND 1977

### 1. A Review of Events and Decisions since December 1975

As mentioned previously, when the Liberal-National Country Party coalition took office in Canberra after its victory in the December 1975 election, it indicated that it was not prepared to continue the existing arrangements with respect to the Albury-Wodonga project, arrangements which it saw as open-ended, and therefore unacceptable in a time of budgetary restraint when Government spending had to "be reined in". In the initial budget allocations for 1976-77, the growth centre was given only \$15 million, one-half the amount received in the preceding year. Further, the Commonwealth Government announced in August 1976 that it wished to renegotiate the Albury-Wodonga Development Agreement, primarily with a view to modifying the form and extent of its financial commitments. This statement by the Commonwealth was not received favourably by either of the two State Governments, which maintained that the Agreement was still binding on all three Governments.

The initial confrontation between the Commonwealth and the State Governments gave rise to a great deal of uncertainty about the future of the project, and as mentioned at the end of Chapter X it was not until November 1976 that progress was made in resolving at least some of the issues. In that month the Commonwealth Government announced that it would allocate a further \$6 million to the project, that it was prepared to regard Albury-Wodonga as a national pilot project of selective decentralisation and that it proposed to introduce new financial arrangements for 1977-78 which would reflect a sharing of costs for the Albury-Wodonga project as a whole. This sharing of costs would be based upon \$1 of Commonwealth funds for \$1 in total from the two States.

At a Ministerial Council meeting following this announcement by the Commonwealth the above matters were considered, and after that meeting a joint communique setting out eight points of agreement was issued. This communique reaffirmed the commitment of the three Governments to the project, noted that the Commonwealth Government had endorsed the project as a national pilot program, and agreed that consultations would take place between officers of the three Governments on the funding arrangements to apply in 1977-78 and subsequent years. More importantly, however, from the viewpoint of the scale of development proposed in Albury-Wodonga, the Ministers agreed that, given the need for budgetary restraint, the area of land originally proposed for purchase in the growth centre area (the designated area) would be considerably reduced. It was further agreed that consideration would be given to identifying the techniques which would assist the Development Corporation in encouraging private sector participation in the physical development process.

On 22 November 1976 the Ministerial Council announced details of the reduced area of land then proposed for purchase under the provisions of the Victorian *Wodonga Area Land Acquisition Act* and the New South Wales Growth Centres (Land Acquisition) Act. This designated

area broadly corresponded to the land needed to build the proposed new towns of Baranduda and Thurgoona, and removed a good deal of farm land from the threat of compulsory purchase. It was agreed, however, that the land so removed from the designated area would remain in the growth centre planning area, and that the Victorian and New South Wales Governments would consider specially designed planning controls to protect this land. If at any future time the Development Corporation required land outside the designated area, it could acquire it on the same basis as any other public authority in the two States.

The change in the designated area in the growth centre meant that the area proposed for purchase was substantially reduced, and it was estimated that the saving in capital outlay would be \$45 million.

In an address to the Albury-Wodonga Businessmen's Association on 26 November 1976 the Minister for Environment, Housing and Community Development, Mr Kevin Newman, defended the Commonwealth Government against the charge that its financial commitments to the growth centre had been significantly reduced. He said that the apparently reduced allocations were due to decreased spending on land acquisition, which in the third year of the project had declined as the acquisition target was realised. For example, it appears that almost all of the \$40 million provided by the Commonwealth Government in 1974-75 had been used for land acquisition, but that this had declined to about one-half of the \$30 million allocated in 1975-76, and to only about one-fifth of the \$21 million provided in 1976-77. While it is true that capital outlay for land acquisition should be relatively large in early years and decline substantially thereafter, it should be expected that development expenditure would show the opposite trend. However, if the above estimates are correct, it is clear that, at best, development expenditure in the growth centre did not increase in 1976-77. The failure of development expenditure to rise was a result of the delay in beginning major works in the proposed new town of Baranduda, the site of which in November 1976 remained a purely rural retreat identified by a large roadside billboard. Moreover, the announced intention to seek ways in which private enterprise could be encouraged to participate more in the physical development process suggested that the Commonwealth Government did not necessarily commit itself to an increasing provision of funds to meet development costs over time.

Since November 1976 the dispute over the cost-sharing arrangements between the Commonwealth and State Governments has not been resolved. In the 1977-78 budget the Commonwealth allocated only \$5 million to Albury-Wodonga, a decrease of \$16 million over the previous year. The Minister for Environment, Housing and Community Development, by way of explanation, pointed out that if the two States had accepted the cost-sharing arrangement, and had each agreed to contribute \$5 million to the growth centre, the Commonwealth would have been prepared to increase its assistance to \$10 million, thereby making \$20 million available for the project in 1977-78.

Following a Ministerial Council meeting in June 1977 this minimum commitment of the Commonwealth Government to the project was

approved, the funds being provided by way of loans to the States. The Commonwealth Government also affirmed a commitment of at least \$5 million loan funds annually to the 5-year continuing program. In addition the Council estimated that revenue from existing projects, mainly sale of developed land and buildings, would reach \$2 million, and that the three Governments would have to share equally administrative expenses approaching \$0.9 million.

At the same time the Commonwealth Government pressed the opinion that the program should be reviewed in the light of revised estimates of Australia's future population patterns and distribution, as previous forecasts were being revised downwards, and population pressures expected in metropolitan areas were likely to be significantly less than formerly anticipated. In line with this view it was subsequently agreed that the Development Corporation would prepare a new 5-year development plan based on the revised program, which, in the event, reduced the next 5-year population increase target from 30,000 to 15,000, and halved the initial population target at the end of the century to 150,000.

Some consideration was also given to the position of local government councils in the growth centre area. The Ministerial Council agreed that discussions should take place with the Albury and Wodonga Councils on the implications for them of the new funding levels, with particular emphasis on the financial positions of the Councils in relation to their previous borrowings under the Municipal Assistance Program. These borrowings had reflected the initial higher growth rate targets, and the rising debt of the Councils, which they attributed in part to their being in the growth centre, was posing financial difficulties for their future operations. Some of the financial changes in these two local government areas are outlined in Section 3 below and in the Appendix.

The current (November 1977) situation in Albury-Wodonga still remains fluid. When this study of the growth centre began in October 1976 (see above, Authors' Preface), the future of the project itself could have been said to be in doubt, and development commenced at that time would not have made it costly to abandon the project. This uncertainty has now been removed, with the new commitments, as stated above, of all three Governments, including the acceptance of the project as representing a pilot program of selective decentralisation in Australia. However, the problem of deriving a satisfactory cost-sharing formula remains unresolved, and the scale of the project has been considerably reduced, a matter which will be discussed further in the next chapter.

## 2. The Development Corporation

By the middle of 1976 the Development Corporation was involved in the development of two 500-block residential estates (Springdale Heights in Albury and Willow Park in Wodonga), and had begun to turn off home-sites for sale to private builders and developers. The sites sold were fully serviced, and about 150 houses were then under construction on these estates. These houses were available for rental

to key employees of firms or government organisations who were transferred to Albury-Wodonga. In addition the Corporation had developed or was developing three industrial estates, on which unit factories were being built for leasing to small industrial firms, and towards the end of 1976 fully serviced sites and buildings were available for occupation.

During the year 1975-76 development projects costing about \$43 million were undertaken by government authorities in Albury-Wodonga. Most of the work was done by private enterprise under contract to the government authorities. Of the amount outlaid, \$3.7 million was provided by the Commonwealth Government, \$9.25 million by the Victorian Government, \$9.2 million by the New South Wales Government, \$11 million by the Albury-Wodonga Development Corporation, and \$10 million by local government.<sup>1</sup>

The expenditure noted in the preceding paragraph was undertaken within a tight budget situation for the Commonwealth Government. In its 1976-77 budget it initially allocated only \$15 million to Albury-Wodonga, but of this amount some \$10.5 million was already committed in advance by the Development Corporation, so that less than \$5 million was available for new work. However, in November 1976 a further \$6 million was allocated by the Commonwealth Government, an amount which was stated to be sufficient to keep the growth centre project going until the differences between the Commonwealth and State Governments were sorted out. These differences were outlined above in Section 1.

The Development Corporation, as the regional planning authority for the growth centre area, has both short-term and long-term objectives to pursue. However, the harmonising of short-term programs with the long-term objectives has been made difficult by the changing attitudes of the Commonwealth Government to the growth centre project, and the consequent delays in implementing and completing planned programs. This kind of situation has had the dual effect of not only delaying programs but also making it more difficult for the Development Corporation to evolve and adapt its procedures to what was essentially a new kind of approach to planning in Australia.

As noted previously, the period after December 1975 was one of comparative stand-still within the Corporation, its activities being largely confined to those parts of the development program which were logical extensions of the existing urban centres of Albury and Wodonga. The planned start on the new town of Baranduda was deferred, even though in both the Baranduda and Thurgoona areas land had been purchased and sewerage, water and road plans finalised. According to the Development Corporation in October 1976, contracts for development at Baranduda could have been let within a few weeks of the Commonwealth Government giving the approval. Throughout this period the Development Corporation was not able to proceed fully with the preparation of the required plans for the next five-year development period, nor was it possible for the financial plans to be presented

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<sup>1</sup>Albury-Wodonga Development Corporation, *Trade Fair News*, Special Edition (no date).

to, and approved by, the Ministerial Council. It was not until November 1976 that the Ministerial Council approved a development program for the year 1976-77, although this program did incorporate the beginning of major trunk services to Baranduda.

During 1977 development within the growth centre area has proceeded slowly. The basic planning concepts for both these new cities were unveiled late in 1976 and the laying out, subdivision works and provision of trunk services to Baranduda and Thurgoona are proceeding. The recent halving of population targets makes the extent and timing of development in the new cities uncertain. Residential development is proceeding at Thurgoona and a contract of \$315,000 for residential development has been awarded to Citra Constructions. This contract is part of the first stage of the Thurgoona development which will turn off 257 housing blocks and 116 hectares of land for medium density housing.<sup>2</sup>

Consolidation work on the housing and industrial estates on the outskirts of Albury and Wodonga has continued. The aim of the Corporation on the housing estates has been to produce a "sound mix" of housing, comprising Corporation houses for short-term rental, Housing Commission homes available through the Corporation under special circumstances, and private homes. Houses have been both sold and rented. New firms have come, or have indicated their intention of coming, to the growth centre, and many have taken advantage of the facilities available on the Corporation's industrial estates. The major project in sight appears to be a \$130 million investment by Australian Newsprint Mills, which is expected to begin construction work in 1978. Within the existing cities retail and commercial projects are also under way or envisaged, including a proposed \$10 million shopping town at Lavington, near the proposed new city of Thurgoona. The army is also planning an extension of its facilities near Wodonga.

It is not clear at this stage the extent to which announced intentions by private firms to invest in Albury-Wodonga will eventuate, given the recent reduction in target growth. However, the resort to greater private sector development has already been mentioned, and in this regard the Corporation has been authorised to enter into contractual arrangements with private firms in an endeavour to boost the scale of private investment in the area. Incentives to promote this development are being considered, including buy-back guarantees for private land and housing developers.

In the original plans it was envisaged that in the first instance emphasis would be placed on the stimulus of transferring public servants to Baranduda, but it is unlikely that the Commonwealth Government is now very receptive to this idea. Nor can the State Governments do very much, given that each Government is supporting other growth centres, Macarthur and Bathurst-Orange in New South Wales, and Geelong in Victoria. Moreover, facilities like a new

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<sup>2</sup>"The Growth Centre Dream is On Target", *Riverlander*, March/April, 1977, p. 19.

university and an upgraded new airport seem a long way off. The future prospects for government sponsored growth of these kinds are perhaps best summed up in the communique of the Ministerial Council in June 1977, where it was stated that the Ministers had agreed to impress again on their respective Governments the need to co-ordinate public work priorities, including the location of appropriate Government facilities, in the Albury-Wodonga area.

The greater uncertainty regarding the extent to which Government facilities can be shifted to Albury-Wodonga is further indicated by the recent emphasis on the growth of the private sector, although, given revised estimates of the future growth and distribution of Australia's population, the target growth of Albury-Wodonga has been reduced to one-half the original projections. Even before the less optimistic forecasts of Australia's population growth, the extent of the target shifts of population to Albury-Wodonga seemed unreasonably high, when considered in relation to the kinds of shifts that have been achieved in the past. The situations in New South Wales and Victoria in this regard have been described in Part One of this study.

The change in emphasis also poses new problems for the Development Corporation. Initially, its main function as a regional planning authority was land acquisition and development, although to undertake this function it had to institute and participate in a wide range of pre-development studies so that planning strategies could be devised. Now it appears to have been given an industry promotion function as well, although this promotion function will presumably be carried out in conjunction with the appropriate State Government decentralisation departments. However, private sector migration is more difficult to induce and forecast, and to that extent the work of the Corporation in the timing of development will become more complex, given its original intention of providing high quality facilities before the arrival of the migrants. Pre-arrival infrastructure planning and provision are much simpler when the arrival times and patterns of the migrants can be controlled, as they were in the original expansion of Canberra.

It has been contended that the growth of Albury-Wodonga could be seen as an alternative to the continued expansion of Canberra, and that given modern communications technology Commonwealth public service departments could decentralise to the growth centre. There is, of course, much opposition to such a proposal, and even the spread of the Commonwealth public service out of the Australian Capital Territory into neighbouring Queanbeyan has not been without its critics. Perhaps the proponents of this kind of administrative decentralisation are confusing two issues which may not necessarily be resolved simultaneously. On the one hand supporters of Albury-Wodonga wish to see it grow, and public service transfers will help achieve this. On the other hand there are those who believe that the growth of Canberra should be stopped before the extent of social diseconomies of concentration and agglomeration has serious effects on the urban environment of the nation's capital. This growth of Canberra could be stopped by transferring or diverting components of the public service. However, it is too simplistic to equate these

two conclusions, because better alternatives to the Albury-Wodonga solution to Canberra's growth pattern may exist. The solution for Canberra should be the first-best policy for Canberra, not the first-best policy for Albury-Wodonga.

### 3. Local Government

In the initial stages when the possibility of Albury-Wodonga being declared a growth centre was imminent, it is clear that the local councils of Albury and Wodonga were strongly in favour of the proposal. Certainly few if any of the councillors would have actively opposed the policy of developing a growth centre in the Albury-Wodonga region. This support for the growth centre policy must, however, be seen as a general support for growth and expansion rather than as an acceptance without question of all the structural and financial arrangements that would eventually be devised. The difference between generally supporting a policy objective and then subsequently opposing some or all of the means devised to achieve those objectives is not unique to the Albury-Wodonga region and the growth centre program. On the one hand electors urge governments to implement a particular policy, and on the other hand they then criticise those same governments for what they are doing to implement that policy in practice.

Arising from our general enquiries in Albury-Wodonga that preceded the writing of this monograph, it is correct to say that while we encountered much opposition to current growth centre policies and arrangements, and much criticism of the Development Corporation, we did not find strong opposition to the growth centre concept among the local politicians. Apparently no local politician is as yet sufficiently confident of electoral support to run on a platform based on opposition to stimulated and planned growth. This is not surprising, despite the fact that a large part of the electorate is not strongly in favour of rapid growth and change. It is not surprising because it is difficult for an aspiring councillor to stand on a policy based on opposition to the attraction of new industry and population. Thus politicians tend to resort to criticising the means adopted to achieve the objectives of the growth centre program, whereas in reality they, like many electors, are essentially opposed to the very objectives of the policy. Perhaps when universal adult franchise is introduced in all local government elections and the voting is made compulsory in both States, these attitudes will change, and politicians will feel confident in actively opposing policies the objectives of which they reject.

As part of our inquiries we have discussed the problems arising from being in a growth centre with various officers of the two main Councils, Albury and Wodonga. Our interpretations of these discussions are given below in terms of what we regard as a valid record of those views as expressed to us.

As early as November 1973 the Wodonga Council wrote to the Chairman of the Cities Commission, indicating that the municipality was carrying a greatly increased financial burden of administration

expenses, created by and related to the accelerated development of the area. These increased costs were concerned with such items as staff inputs, printing, stationery, telephones, postages, travelling and advertising. For the year 1973-74 the Wodonga Council estimated that increased administrative costs of \$26,500 had been incurred because it was part of the growth centre. These costs were not reimbursed by any growth centre financial arrangement.<sup>3</sup>

Three years later in our interviews in Wodonga we found that the views expressed above still existed, and were even more strongly held. Again it was stated that financial assistance from the Commonwealth and State Governments did not cover the cost of what was said to be "the upheaval that has occurred in the administration of the Wodonga City Council as a result of accelerated development". The Council had been faced with the need to prepare for a larger growth than would have normally occurred. Although the Council had been criticised for building expensive new administration premises, it was pointed out in defence that the greater than normal growth had led to an increase in council staff and activities which could not be serviced in the existing premises. Further, the Council had incurred higher costs from the accelerated development which had to be passed on to existing ratepayers. These costs included such elements as an increasing number of inspections and building applications, demand for information from outsiders about the growth centre programs, and visits by students, research workers and politicians from the capital cities. In this sense the Council had become involved in an information and public relations function that had not previously existed.

In addition it was stated that through the purchase by the Corporation of over 200 properties the Council had lost revenue because the Corporation did not pay rates to local councils. The Council estimated that it had lost rates of \$50,000 in the 1975-76 year because of this. However, there is some evidence to suggest that the lost rates were in whole or in part reimbursed by the Victorian State Government. Nevertheless, the data given below in the Appendix support the contention that administrative expenses have been increasing relatively fast in Wodonga, and no factor other than the growth centre program can be deduced to explain this trend.

The kinds of arguments outlined above partly explain the basis of the 1976-77 budget of the Wodonga Council which was referred to as an "Austerity Budget". The budget was said to be an austerity one because Wodonga, being a growth centre as well as an "all purpose City", had become an expensive City to maintain and to cope with the expansion programs.<sup>4</sup> In this respect, however, it is necessary to realise that three other factors were affecting local government finances in Albury-Wodonga. The first factor resulted from the highly inflationary conditions in Australia. The second was the initiation

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<sup>3</sup>Letter dated 26 November 1973 from the Town Clerk, Wodonga City Council, to the Chairman of the Cities Commission.

<sup>4</sup>Wodonga City Council, Estimates 1976, Report of the Town Clerk.

of general purpose grants to local government through the Grants Commission. Both of these were general factors affecting all local governments in Australia. The third factor was the exigencies resulting from these two local government areas being in a regional growth centre. This third factor was a particular one affecting only Albury and Wodonga. Hence, in analysing changes in the finances of these local government areas, it is necessary that trends in those areas be initially related to trends in other relevant local government areas. This is the basis of the statistics in the Appendix below. The analysis there reveals that in the case of Wodonga the changes in the general financial situation are not significantly different from the changes in other similar local government areas in Victoria. The major difference is the increasing rise in administrative expenses in Wodonga mentioned above. Thus the major financial difficulties facing Wodonga are not unique to that Victorian local authority, and only to a relatively small extent can evidence be found to identify its financial problems with the growth centre programs.

The review of the finances of the Albury City Council reveals a pattern of change different from that in Wodonga. In contrast to the situation in Wodonga, the finances of the Albury Council underwent a quite dramatic change relative to the change in other New South Wales local authorities, so that the change in Albury is significantly greater than that which could be explained by general pressures on local government. The major changes in the finances of the Albury Council can only be interpreted in a realistic manner as being the direct and indirect result of its being in a growth centre. In this sense it must be understood that the effects of the growth centre program must not be defined narrowly to mean things done by the Albury Council because those things were part of, or required by, the growth centre plan. The effects referred to have a wider connotation, and include all those changes which may quite legitimately be said to have occurred because there was a growth centre policy, or, in a more negative sense, to include those things which would not have happened if the growth centre program had not been implemented. Whether the Albury Council increased its expenditure on public works because those works were part of the growth centre policy, or because the Council was concerned to ensure that the older city could compete in terms of higher quality infrastructure with the proposed new towns, or because it wanted to make Albury more of a show place to the increasing number of visitors to the growth centre, or because it had to offset lower expenditure in previous years, is immaterial. What must be accepted is the fact that none of these reasons would have influenced the financial decisions of the Council if the growth centre had not been declared. Therefore it is legitimate to treat all of these as reasons why the growth centre programs may have affected the finances of the Albury City Council.

As the statistics in the Appendix show, the finances of the Albury Council have changed in a significant adverse manner since 1971, and the trends in Albury have been greater than can be explained by reference to the general trends affecting all similar local government areas in New South Wales. It is shown that these changes have given Albury the highest per capita level of combined rates levied for ordinary services, water and sewerage among New South Wales

provincial cities, and that this sharp increase in the rate burden in recent years has been mainly due to increased expenditure by the Council on public works such as roads, streets, bridges, sewerage and drainage. To a limited extent the repayment commitments on the new Administration Block have contributed to the rise in current costs, but this contribution has not been nearly as significant as those previously mentioned.

It appears that the declaration of the growth centre program has made the Albury local authority more concerned about the quality of the physical infrastructure in the city, and has led to a significant increase in expenditure by the Council on elements of the physical infrastructure. This increase in expenditure has been not only from its own funds but also from funds provided under the growth centre financial arrangements of the Municipal Assistance Program. Basically this Program provided funds to local government on a one-third grants and two-thirds loans basis. That most of this assistance received by the Albury Council has been spent on public works can be seen from the following details. In the period from 1973-74 to 1975-76 the Albury Council received \$2.7 million under the Municipal Assistance Program of which nearly \$1.9 million was loan funds (with interest deferred but capitalised for five years) and \$0.9 million was grants. Of this amount of financial assistance, \$1.1 million was spent on roads, bridges and drainage; \$0.9 million on sewerage; and \$0.7 million on water.<sup>5</sup>

The views expressed by the officers of the Albury City Council in October 1976 regarding its financial difficulties are summarised below.

While it was agreed the construction of the new Administration Block had contributed significantly to rising debt service payments, it was also pointed out that the Council had plans for a new office building prior to the declaration of the growth centre, but the space envisaged was much smaller than that provided in the new building. It was said that the Council was advised by both the Commonwealth and State Governments to build the kind of administration building subsequently constructed because the proposed growth centre development would create a demand for office space. However, rising construction costs, and the slower pace of development, had increased the outlay on the building and reduced its expected revenue contribution from office rents.

The officers of the Albury Council appear to have found it difficult to reconcile the long-term benefits of the growth centre program with its short-term costs. Although they realised that the growth centre program would be of especial benefit to Albury in the long-run, they were concerned at the heavy burdens that might be placed on existing ratepayers in the short-run. As an indication of this view, it is significant that the Albury Council had set aside amounts each year from current revenue to offset the interest accruing on the capitalised value of deferred interest under the Municipal

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<sup>5</sup>Loan Repayments - Municipal Assistance Advances, Town Clerk Report to Albury City Council.

Assistance Program. In effect the Albury Council did not foresee a sufficient increase in its tax base in five years to meet the increased redemption and interest payments that will begin to accrue at that time.

The Albury Council also believed that it had incurred additional costs of various kinds because the growth centre program exists. These costs were much the same as those described above by the Wodonga Council. For example, the Albury Council estimated that it had incurred staff time costs on public works and meetings in relation to the growth centre amounting to \$30,000 for which no reimbursement had been received.<sup>6</sup>

As compared with the Wodonga Council, the Albury Council appears to have been more adversely affected by land acquisition. In general all land zoned rural was acquired in the Albury area by the State Corporation, and it appears that up to November 1976 no payment in lieu of rates had been received by the local authority. The Council estimated that the loss of rates in 1975-76 was \$257,000, which was just over 6 per cent of the total rates expected to be collected in that year. Apparently there was a dispute between the Council and the State Government about the basis of land valuation for the payment in lieu of rates to the Council. If this is true, there is no reason why the minimum amount of reimbursement could not have been paid to the Council (based on rates levied on previous rural values) pending agreement on the final method of payment. There is no justification for the withholding of all payments merely because the total amount due is in dispute.

There is also evidence from our discussions in Albury that much of the work on physical infrastructure since 1973-74 has been concerned with major works for the growth centre projects, and that the existing local community has not benefited. As a result the community has become dissatisfied with a lack of visible improvements in the city in a situation in which rates have risen to a considerable extent. It is said that much of the increased expenditure of the Council has been to upgrade facilities in preparation for the "leap ahead" not to satisfy the needs of the existing inhabitants. These statements are difficult for an outsider to substantiate, but there does appear to be at least some substance in the claims made.

#### 4. The Local Community

The third group in the growth centre area whose general position must be considered consists of the ordinary citizens, many of whom have lived in the area for a long time and some of whom are newcomers.

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<sup>6</sup>It was suggested to us by one professional officer of the Albury Council that even though his own appointment had been contemplated for some time it was in fact the declaration of the growth centre that led to his earlier appointment. This is one of many instances where the growth centre program induced expenditure commitments by the council at an earlier date than previously contemplated.

Among both groups there is both satisfaction and dissatisfaction with the growth centre programs and their effects in the area. Some of the dissatisfaction, especially that connected with the quality of urban facilities and services, is not specific to Albury-Wodonga, but is general throughout most urban local authority areas in Australia. However, there is much vocal concern expressed about the lack of public participation in decision-making. Again the lack of public participation is not a phenomenon peculiar to Albury-Wodonga, but such participation was stated to be one of the principles inherent in the growth centre development, so that local expectations were higher to that extent. On the surface it appears that the Consultative Council has not succeeded in its objectives of providing a participatory link in the chain of communication. This may be because it is a formal organisation, and formal organisations tend to become impersonal. Although this Council has established sub-committees to advise on specific areas of social importance (see above Chapter IX) these sub-committees have also tended to become somewhat formal organisations. What is required is more informal organisations of citizens by and through which the views of the general public can be made known to the planners and decision-makers either on matters of general concern or on specific issues. Prior studies by Australian Frontier and consultations held recently have dealt in some depth with this problem of how to improve the degree of citizen participation.<sup>7</sup>

These studies and consultations make it clear that the ordinary citizen finds it difficult to make his views known, that most of the formal organisations have explicit or implicit barriers to citizen participation, and even in some cases provide no formal mechanism for communication between the citizens and the organisation. The growth centre proposal has cast the national, if not international, eye on Albury-Wodonga. It is a national pilot project concerned with how to develop a regional growth centre; in that sense, provided the term is viewed dispassionately, there is also a social experiment in Albury-Wodonga, concerned with how to build a unified community consisting of the somewhat diverse groups now living in the growth centre area and the newcomers who, if the project succeeds, will come flocking to the area. The social difficulties in this regard will be different from those experienced in Canberra, where the initial problems were based on the asymmetrical employment base consisting almost entirely of public servants and academics on the one hand, and building and personal service workers on the other. In cases of this kind where the problem of social integration is inherent in economic development the existence of adequate means of citizen participation in planning and decision-making is a necessary condition for building a unified and satisfied community.

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<sup>7</sup>For example, see *You and Your City. Initial Report*, Australian Frontier, Melbourne, 1976; and *Social and Financial Responsibility in a Growth Centre. Albury/Wodonga*, Australian Frontier, Melbourne, 1977.

## 5. The Climate of Concern

If there was one word which has cropped up with almost consistent monotony in our investigations in Albury-Wodonga at the end of 1976 it was the word "concerned". The Development Corporation was concerned then about the future financial commitment of the Commonwealth Government, the delay in implementing its primary task of building a new town, and how to evolve an harmonious and efficient organisational structure within the area. The two Councils were concerned with their financial position, and with what the future held for them if the growth centre program continued. The citizens were concerned about what would happen to the old cities of Albury and Wodonga, and with the lack of means for public participation in planning and decision-making. Means had to be found of dispersing these concerns if a dynamic and prosperous new community was to be built in the growth centre area.

The changes, since our initial investigations in the last quarter of 1976, in the attitudes of the various Governments towards the growth centre project have been described above, and the Development Corporation's concern about the future has lessened, although not entirely disappeared. In particular the three Governments have not agreed on financing arrangements, and the funds flowing into the project are not increasing. At the present time the only firm commitment of the Commonwealth Government is for the provision of at least \$5 million of loan funds annually over the next continuing five-year program. The Corporation, given the reduced population targets and the increased emphasis on private sector development, is facing a future different from the one originally envisaged.

The relative improvement in the situation with respect to the Development Corporation has not extended to the local councils and the citizens. At its June 1977 meeting the Ministerial Council resolved to investigate the implications of the new funding levels and the cessation of the Municipal Assistance Program on the financial positions of the Albury and Wodonga Councils. This resolution, however, does little to solve the kinds of difficulties described above in Section 3 and illustrated by the statistics in the Appendix below. Rather than being given special assistance for being in a pilot project, the local councils have had to rely mainly on the Grants Commission, and therefore have had to compete for funds with all other local governing bodies.

The Ministerial Council has also agreed that for the time being the Consultative Council will continue as formerly constituted, despite the evidence that this method of ensuring community participation and consultation has not been effective. Further no real progress has been made in evolving new forms of participation for the citizens of the growth centre area, and no effective mechanism has been devised to enable the citizens of Albury-Wodonga to make their views and values known more forcefully to the planners and decision makers.

## XII FUTURE ACTION AND RESPONSIBILITY

At an Australian Frontier Consultation in Albury in November 1976 the authors of this monograph presented for discussion a paper entitled "The Albury-Wodonga Growth Centre and Local Government: A Preliminary Report".<sup>1</sup> In that Report it was claimed that six lines of action were required to ensure the continuance and success of the Albury-Wodonga project. The lines of action suggested are outlined below.

(a) *Revision of population targets.* In 1973 Aaron Emanuel said of the Albury-Wodonga inland regional growth centre: "The favourable points for Albury-Wodonga are that, though it is small...it is thriving, growing, and has a situation on the main strategic communications links between Sydney and Melbourne and the possibility of improved links with Adelaide. It is thus centrally situated, albeit at a considerable distance between three of the major cities, enabling firms located in Albury-Wodonga to operate in the three markets together. In addition it has environmental features which could make it attractive as a residential area. It seems natural therefore that, given the assumption that it will be necessary to decentralise and provide new points of growth away from the capital cities, Albury-Wodonga should be regarded already as a real starter. The question, to my mind, is not whether it is a starter but whether the target of 300,000 people by the end of the century might not prove over-ambitious and whether it will not call for an excessive degree of government support in order to achieve that target, particularly in regard to financial incentives to firms".<sup>2</sup>

The doubt about the target expressed by Emanuel was supported in the Report, which pointed to the growth of Canberra as an example of the difficulties of proposing to expand the population of Albury-Wodonga to 300,000 by the end of the century. It was therefore suggested that a review of the growth centre program was required, including a reassessment of the targets and resultant strategy. Over the next few months this review was in fact carried out, resulting in such decisions as the reduction in the area of designated land in the growth centre, and the halving of the original population targets. The new estimates seem more reasonable, at least as an indication of the maximum potential of the area to develop, although the changes do pose problems for maintaining the older strategy of two similar sized new cities, one in each State. In due course the newer strategy will become apparent as the Development Corporation produces a revised five-year development plan for the region.

(b) *Liaison between the Development Corporation and the local Councils.* The second line of action stated to be necessary was the determination

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<sup>1</sup>For a summary of this Consultation see *Social and Financial Responsibility in a Growth Centre. Albury-Wodonga*, Australian Frontier, Melbourne, 1977.

<sup>2</sup>Cities Commission, *Overseas Experts' Reports 1973*, Canberra, 1974, pp. 57-58.

of the respective roles of the Development Corporation and the local Councils, and of the relationships between them. It was agreed that it was necessary to have a specific-purpose regional authority like the Development Corporation to plan and implement development in the designated areas, while the local Councils should remain responsible for their existing urban centres of population, and any rural areas not designated. However, it was realised that the Corporation and the Councils would have joint responsibilities in some instances, because development in the designated areas and in the existing urban centres could not be completely insulated from each other. For example, integration would be necessary for policies concerned with water supply and sewerage, transport networks and environmental management. In these instances planning would have to be on a regional not a local scale.

Within the existing urban centres it was suggested that short and medium term plans for the development of physical and social infrastructure should be prepared by the local Councils. The existing lack of such plans made it difficult to define the future roles of the Councils in the growth centre, and to achieve integration of their intentions with the plans of the Corporation. In particular it was stressed that these plans should indicate what was required in the existing urban centres to upgrade their infrastructure to the quality proposed for the new towns. The plans should be technical, in the sense of specifying in engineering and physical terms what was required, and financial, costing the technical requirements over time (at least in current prices). At the same time the plans of the Councils should indicate the means by which the necessary finance might be provided, and detail the burden to be placed on their own ratepayers.

Since the Report was presented it is understood that measures to achieve greater liaison between the Corporation and the Councils have been considered and in some cases implemented, but no plans of the kind suggested have been produced.

(c) *Unified growth centre complex.* The third line of action listed in the Report was the need for a decision about the extent to which the growth centre complex was to be developed as a unified community. It was pointed out that socially and economically the twin cities of Albury and Wodonga were different (see above Chapter VIII, Table 30), and that it could be assumed that the economic and demographic structures of the new towns would also differ from those of Albury and Wodonga. If the unified community principle was accepted, and the growth centre remained governed by several local authorities, there would be the added difficulty of achieving harmonisation in the fiscal operations of the councils, particularly the Albury and Wodonga Councils. For example, the investigations prior to the Report had revealed that Albury was a more expensive place than Wodonga with respect to local government taxes,<sup>3</sup> and that the infra-

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<sup>3</sup>For example, in 1975-76 the Albury City Council levied rates for ordinary services, sewerage and water amounting to \$168 per head of population; the corresponding amount levied by the Wodonga City Council was only \$67. For further details see Appendix below.

structure in Albury tended to be older than that in Wodonga. If fiscal harmonisation was thought to be necessary, it would have to be decided whether some kind of tax and expenditure equalisation program should be instituted for these local authorities. Action along these lines is being considered, although it is probably a more short-term review as part of the study of the effects of the expiry of the Municipal Assistance Program referred to above. It still appears that a wider approach is required because of the special nature of the growth centre relationships, and that these considerations should involve appropriate Commonwealth and State Government departments and the Grants Commissions. Similar problems, of course, exist in the Bathurst-Orange growth centre.

(d) *Citizen participation.* The fourth line of action recommended was an expansion of the forms and extent of citizen participation in planning by all organisations in the growth centre area. It was pointed out that there was evidence that the Consultative Council had not been a success, and that ways and means of establishing a more flexible and responsive organisation should be investigated. At the same time the local Councils were seen as not providing, or not attempting to provide, adequate means of communication between their officers and ratepayers and other citizens. It was therefore suggested that the Councils also had responsibilities in seeking greater public participation in planning and decision making.

Consideration has since been given to these matters, but as noted above the Ministerial Council has decided to continue the Consultative Council in its present form for the time being. However, little has been achieved with respect to citizen participation in local government affairs.

(e) *Local government in the future.* The fifth line of action noted in the Report was concerned with the long-term problem that would arise when the Development Corporation had completed major parts of its main function, the development of the new urban areas. It was pointed out that at that future time a mechanism must exist whereby the new development could be incorporated into the normal local government structure, given the assumption that the Development Corporation would act as a local authority only for a relatively limited period of time. The problem was likened to ones which had arisen in a Company town like Mount Isa, when the population had grown to the extent where pressures emerged to give the city its own form of urban local government; and in the national capital of Canberra, where moves for the introduction of local government have grown in recent years.

It was suggested that the form and methods by which this future transfer of responsibility should occur could not be left to be decided in the future, and that more harmonious relations would emerge between the parties concerned if at least a tentative program was devised now. Consideration of this matter is proceeding.

(f) *Continuation of the project.* The final line of action listed in the Report was at that date the most significant one. This was action required to ensure that the growth centre project was not abandoned or wound down to such an extent that its importance as a suggested

national pilot program was lost. Since then, decisions along these lines have been taken, with new affirmations of support for the concept of the regional growth centre and its definition by the Commonwealth Government of being a national pilot project of selective decentralisation.

It can be seen that considerable progress has been made, in the twelve months period since the Consultation referred to above, in stabilising what was at that time a very uncertain situation in the growth centre area. This improvement has had its costs as the extent of the program has been constrained, and all elements of agreement between the Commonwealth and State Governments have not yet been finalised. There still remains therefore the final responsibility for all parties to ensure that the pilot project is given every chance of success now that it has been accepted as a program of national significance, at least for its role as an indicator of the likely success of selective regional (non-metropolitan) decentralisation in Australia, if not for its importance in reducing population pressures in the metropolitan areas in New South Wales and Victoria.

### XIII INLAND REGIONAL GROWTH CENTRES

It was stated at the end of the previous chapter that all parties which are involved in or support the Albury-Wodonga growth centre program should ensure that it is given every chance to demonstrate the effectiveness and appropriateness of the regional growth centre approach to selective decentralisation in Australia, where that approach has to date been based on inland locations. The preferences of Australians for living near to capital cities and/or close to the coast have been mentioned previously, and these preferences suggest that future planning should concentrate more on metropolitan-linked centres, and on the selection of coastal-based regional growth centres if further regional centres are deemed justified. This study concludes with a brief analysis of the factors which seem relevant to these kinds of choice.

#### 1. Basic Elements of Growth Centre Programs

The basic elements of growth centre programs may be related to three questions: *Why* are the programs being pursued? *Where* are the programs to be implemented? *How* are the objectives to be achieved?

(a) *Why?* The objectives of growth centre programs, conceived in a broad sense, are to alter the spatial distribution of population and economic activity by deliberate government policy. This redistribution may be sought for one or more of three basic reasons.

First, the aim may be to alleviate the distress of people suffering such social disadvantages as unemployment, low income, or below standard facilities, amenities and consumption standards. This distress may be relieved by introducing remedies at the place where the people reside (e.g. move jobs to people), or by taking the people to places where the distress may be remedied (e.g. move people to jobs). In the first instance the policy is designed to restore Place Prosperity, and in the second instance to restore People Prosperity.<sup>1</sup>

Second, the policy may be designed to alleviate social problems in a particular area, resulting mainly from social external diseconomies resulting from concentrations of population and economic activity, by moving both jobs and people to an area or areas of lesser concentration where these diseconomies do not arise. These diseconomies may be related to such elements as traffic congestion, the cost of providing basic public services or infrastructure, low quality urban form and environmental degradation. Frequently, the problem area is the older metropolitan urban centre.

Third, the reason for pursuing a growth centre program may be to

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<sup>1</sup>L. Winnick, "Place prosperity vs. people prosperity: welfare considerations in the distribution of economic activity" in *Essays in Urban Land Economics*, University of California, Los Angeles, 1966.

promote national growth objectives by moving people and jobs to centres of greatest economic potential from areas of decline, stagnation or low potential for future growth.

The first two reasons are largely concerned with aspects of social equity; the third reason is more related to matters of economic efficiency.

In Australia the basic objectives of all metropolitan and regional (country-located) growth centre programs have been related to the second reason discussed above, the intention being to avert social diseconomies arising from the continued growth of the congested metropolitan areas by building new system-cities, satellite towns or country growth centres. The argument that selective decentralisation should be supported because it produces social economies has been advanced mainly by the New South Wales Department of Decentralisation and Development.

(b) *Where?* In Australia growth centre and decentralisation programs have generally been based on the concept of selective or concentrated decentralisation, or on the development of a few centres. Politically this approach has been difficult to implement, because of the apparent greater vote gaining and vote retaining potential of a policy of general or dispersed decentralisation, which applies to all centres and areas without discrimination. Despite these political difficulties, which are more significant at the State Government level, centres such as Albury-Wodonga, Bathurst-Orange, Macarthur, Geelong and Monarto have been declared growth centres. However, positive discriminatory measures in favour of these centres have been limited, the major elements of State policy being the establishment of specific regional authorities to undertake and/or oversee development, and the resultant physical and environmental planning programs. The Commonwealth Government has now decided to provide assistance to only three centres, Albury-Wodonga, Bathurst-Orange, and Macarthur. It still remains generally true that State decentralisation measures are available to all centres, whether or not they are declared growth centres, and Mr Neville Wran, the New South Wales premier, recently reaffirmed this view.

The answer to *Where?* in Australia has been a combination of several metropolitan growth centre projects (system-cities, satellite towns, corridors of development) and two regional (non-metropolitan) centres (Albury-Wodonga and Bathurst-Orange).

(c) *How?* The objectives of growth centre programs emphasise the necessity for interregional and intra-regional migration of people and economic activity if those objectives are to be attained. Economic activity will move if input and/or market access are suitable at the proposed growth centre. People, in their dual role of factor (labour) suppliers and consumers of goods and services (public and private, including residential land) will migrate if appropriate jobs are available and/or the expected range and quality of public and private consumption commodities, including housing, are satisfactory. The first of these influences, job availability, was stated above (Chapter VII) to be the more important for long distance, inter-regional migration, and the second the more important for short

distance, intra-regional migration. The process of urban growth based on the migration of both firms and households provides a direct or feedback link between the creation of jobs (by firms) and the availability of workers (from households). That is, the migration of firms provides new job opportunities which may induce households to migrate; and the migration of households provides an increased supply of labour which may induce firms to migrate.

There is, however, no necessary feedback link between population migration and the expansion of the range and quality of consumer goods, especially government supplied consumer goods such as education and health facilities, elements of the physical infrastructure, housing and other social amenities. In general, without direct government intervention and planning, the supply of these kinds of public goods will lag behind the growth of population and industry, and may inhibit further migration. In other words the migration of people does not automatically lead to an increase in the supply of all consumption goods, the supply of many of which reacts to increased demand only with a time lag, which may be considerable in length. In the case where the urban policy is concerned with metropolitan expansion, and with the building of system-cities or satellite towns, the success of the programs will depend primarily on the speed with which these consumer goods become available, and in many cases supply may have to be expanded prior to, and in order to induce, the growth of demand which follows the arrival of the migrants. In the case of regional growth centres, primary emphasis must be given to the job creation process, for it is job availability, not the provision of urban facilities, which will be the major inducement to migrate. However, the success of the interregional migration program may be enhanced by an urban facilities program, but it is more difficult to provide facilities in advance of the arrival of the migrants because of the difficulties of forecasting accurately the rate of migration. These arguments formed the basis of the previous criticism of the Albury-Wodonga project, where initial emphasis was placed on the provision of physical infrastructure with an implied belief that this would induce people to migrate. However, as stated above, this belief is truer for intra-regional migration than for interregional migration.

Measures provided by governments in Australia to influence the interregional migration of people and firms include: tax incentives and exemptions to firms and households; subsidies to firms and households, with respect to such things as movement of inputs, transport rates, housing, and relocation costs; low interest rate loans; direct government investment in land, land development and infrastructure; regional shifts of government administrative activities; regional purchases of goods and services by government; public, or combined public/private, investment in specific regional projects for local resources development; detailed investigation and analysis of the growth centre as a prelude to planning; education, communication and information to facilitate both the movement of people and firms, and the acceptance of the migrants by the host community.

## 2. Assessment of Albury-Wodonga as an Inland Regional Growth Centre

In the case of Albury-Wodonga, incentives are provided by the Victorian and New South Wales State Governments, but the measures are not the same on each side of the border. Broadly the measures consist of various kinds of tax incentives to industry (by State and local Governments), subsidies (transport, relocation), assistance with housing, and land development for business and residential use. Initially the Commonwealth Government provided assistance by acting to stabilise land prices, providing low-cost capital finance, and participating in the formation of the Albury-Wodonga Development Corporation. However, the degree of financial involvement by the Commonwealth Government has now diminished.

The involved political structure of the Albury-Wodonga growth centre, arising from the fact that it is divided by a State boundary, makes it essential that a high degree of intergovernmental co-ordination and harmonisation of policies and programs exists. To date the degree of success in this regard has not been extremely great, although progress is being made. For example, the Victorian State Government has for some time offered decentralisation incentives of remission of State payroll and land taxes, and more recently the New South Wales Government has introduced similar concessions, although in the latter State the tax advantages are more closely tied to specific locations, thus conforming to the selective decentralisation approach. Tax remissions of these kinds decrease the costs which the firms can offset against income for Commonwealth income tax purposes, hence their income tax payments are higher than they would have been if the State taxes had been paid. In effect the State subsidy is shared between the firms and the Commonwealth Government.

To date the major new and specific measures designed to stimulate the growth of Albury-Wodonga by inducing migration of firms and households have been related to land development and the planned provision of infrastructure in advance of growth; although new measures are being considered now that the role of the private sector has been increased. Additionally it was envisaged that an initial development thrust would be initiated by transferring sections of the public service to the growth centre. Although a small part of the taxation section has been transferred to Albury-Wodonga, and a government sponsored trade union training college constructed, the pump-priming types of public service shifts as occurred in the early growth of the national capital of Canberra have not taken place. Moreover, there is good reason to doubt that major shifts will occur in the future.

The growth centre program has been criticised because too much attention has been given to land development and the strategies for building new towns, and not enough attention to the basic problem of how to achieve the migration rates necessary to meet the target populations. Over the next quarter of a decade the target sets a population growth to 150,000, a threefold increase over the existing population of about 50,000. Growth of this magnitude has never been achieved or approached in any country city in Australia, except for particular periods in the expansion of Canberra. Such a massive migration from the metropolitan areas to the country will require highly successful programs which, as yet, remain unspecified and untried.

A further point of significance is that even the most optimistic forecasts of population growth in the regional (inland-located) growth centres in New South Wales and Victoria indicate that in absolute numbers most of the population increase in the remaining part of the twentieth century will still occur in the metropolitan regions, where in 1976 6.5 million of the combined population of the two States of 8.4 million resided. By the end of the century another 3 to 4 million people may live in the metropolitan regions of these two States, so that population pressures in the metropolitan regions will continue, and substantial resources will be required to ensure that effective regional physical, social and environmental planning takes place to accommodate that kind of growth. While the country growth centres may contribute something to alleviating the metropolitan growth problems, there is reason to believe that the effects (or productivity) of the programs will be greater in metropolitan regions than in the country locations selected in New South Wales and Victoria, and hence efficient allocation of resources may favour development in the metropolitan regions. This is so because the selected country growth centres are small in size, have inland locations, and are relatively distant from the capital cities, and because no specific discriminatory programs have been designed to induce large-scale out-migration from the metropolitan region to these inland locations.

The lack of extensive specific measures limited to the growth centres has already been mentioned. With respect to the possibility of achieving out-migration from the metropolitan regions, there is strong evidence that Australians first like to live as near as possible to a metropolis, and second that they prefer a coastal location to an inland location. Albury-Wodonga and Bathurst-Orange meet neither of these preference requirements. In support of the contention that the preferences of Australians are as stated above, it can be noted that urban growth in the past has, in New South Wales, produced a largest inland country city with a population of only 34,000 (Wagga Wagga), and, in Victoria, with a population of just over 60,000 (Ballarat). The largest cities in Australia, apart from the capitals, with populations of about 100,000 and over, are Newcastle, Wollongong, Geelong, Gold Coast and Townsville. All of these cities are located on the coast, and all except Townsville are close to the capital cities.

The final factor acting against the rapid development of the inland regional growth centres is their present small size of less than 50,000 in their urban areas. Cities tend to be the leaders in regional development, and large cities offer greater potential for accelerated development than small cities. It is of considerable consequence to heed the warning of Hoover when he says: "A location that might be advantageous if enough manpower and/or enough real capital could be concentrated there may never get over the threshold imposed by the higher costs of an initial small-scale operation or an insufficiently developed production cluster...when we dip down into, say, the five-figure population range, the potential growth centre is increasingly likely to be handicapped".<sup>2</sup> This is so because small centres do not possess an industry structure which offers significant

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<sup>2</sup>E.M. Hoover, *An Introduction to Regional Economics*, 2nd edition, Alfred A. Knopf, New York, 1975, pp. 234 and 281.

complementary linkages to facilitate the formation of industry clusters through the existence and influence of external economies of agglomeration. These comments of Hoover are applicable to the Albury-Wodonga and Bathurst-Orange growth centres, both of which have populations in the lower half of the five-figure range. Thus the idea of planning and building large inland cities of 150,000 people or more in Australia may well prove to be a pipedream except in the case of the national capital, Canberra. If this conclusion is valid, it is significant for the work of the proposed new Decentralisation Advisory Board, which will apparently assume the function of advising the Commonwealth Government on the most suitable centres to be supported in its selective decentralisation program. It has been argued in this study that such centres will be most successful if they have coastal locations, have good access to the existing capital cities, and, if the intention is to build up an existing urban centre, a current population of not less than 100,000. The application of these criteria to the existing situation in Australia suggests that the main centres which should be looked at are Wollongong, Geelong and Gold Coast. Townsville, in North Queensland, does not meet the second criterion (nearness to the capital city), but as it has grown to a population of 100,000 without continued government support (except for the establishment of an army base and a university), it might also qualify for further consideration. In addition, of course, considerable attention will have to be given to the building of new centres to accommodate the increasing population of the State capital cities, and to upgrading and rehabilitating the existing urban infrastructure in those cities. An effective urban and regional program must encompass both of these approaches - building up selected non-capital cities; and improving the urban quality of existing capital cities and providing urban facilities in the areas into which their growing populations are extending.

**APPENDIX**

**LOCAL AUTHORITY AREAS OF ALBURY AND WODONGA**

## 1. Method of Analysis

The functions and finances of local government vary considerably among the States of Australia, and inter-State comparisons of the fiscal performance of local government are extremely difficult, if not impossible. At best inter-State comparisons must be limited to general economic and social variables, such as population growth; demographic characteristics of the population, e.g., age structure, nationality, birthplace, and occupational structure; the economic base of the local economy; and various standardised elements of physical and social infrastructure such as the proportion of houses sewered, kilometres of sealed roads, public open space per head of population, or the proportion of children aged three to five in kindergartens, pre-school and child care centres.

The local authority areas of Albury and Wodonga, together with other local authorities in New South Wales and Victoria, have been combined into a declared growth centre area. However, any analysis of local government in this area cannot make perfectly valid comparisons between the fiscal aspects of local government performance in different States, hence it will be necessary to examine the finances of the two local authorities on a separate basis. On the other hand, it is possible to indicate some of the main economic and social differences between Albury and Wodonga.

So that an assessment can be made of relative changes in Albury and Wodonga, it is necessary that these changes be evaluated in relation to changes in other local authorities. For this purpose a group of local authorities has been selected in each State such that a group contains relatively homogeneous local government areas meeting the following three criteria:

- (a) The local authority governs an urban population which represents all or a part of the population of an urban centre with a population of at least 10,000 but less than 100,000. These local authorities are therefore Small City (CS) and Medium City (CM) local authorities.<sup>1</sup>
- (b) The population of the local authority is either wholly or predominantly urban, defined as from 75 per cent to 100 per cent urban. Thus some of the local authorities may govern rural population, amounting to less than 25 per cent of their total population, living in areas outside the defined urban centre boundaries.
- (c) The local authority area is not within the Sydney Statistical

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<sup>1</sup>See C.P. Harris, *The Classification of Australian Local Authorities*, Centre for Research on Federal Financial Relations, Distributed by ANU Press, Canberra, 1975. The approach adopted in this study is being further investigated and refined by the authors of this monograph, and in due course a revised framework of analysis will be developed. However, this new framework will not differ significantly from the approach adopted in this study.

Division, the Outer Sydney Statistical Division, the Newcastle Statistical District, the Wollongong Statistical District, the Melbourne Statistical Division, or the Geelong Statistical District.

The first two criteria identify local authorities responsible for urban government in areas reasonably similar to those of Albury and Wodonga, local authority areas which at 30 June 1976 had respectively a 96 per cent and an 87 per cent urban population, and a total urban centre population of 32,000 and 14,000. The third criterion eliminates urban centres which are within the confines of metropolitan regions. Albury-Wodonga is a regional growth centre, while any similar areas within the Divisions and Districts mentioned (such as Gosford and Wyong) are classified as metropolitan growth centres. A metropolitan growth centre (or system city) is a city which can be developed "within the influence of an existing metropolitan area but as a self-contained entity rather than a metropolitan dormitory area", and a regional growth centre is one "located at a significant distance from an existing metropolis with existing resources or the potential to serve the region which surrounds it".<sup>2</sup>

The classification has been made using 1971 Census data. At 30 June 1971 there were 47 Small and Medium City local authorities in the two States, 24 in New South Wales and 23 in Victoria. Of these, 15 in New South Wales and 16 in Victoria also meet criteria (b) and (c), to give the benchmark group for each State. The local authority areas, which basically govern the provincial cities of New South Wales and Victoria, are:<sup>3</sup>

*New South Wales* Albury, Armidale, Bathurst, Broken Hill, Coffs Harbour, Dubbo, Goulburn, Grafton, Lismore, Lithgow, Orange, Queanbeyan, Tamworth, Taree, Wagga Wagga.

*Victoria* Ballaarat, Ballarat, Bendigo, Colac (City), Eaglehawk, Horsham, Mildura (City), Moe, Morwell, Sale, Sebastopol, Shepparton (City), Traralgon (City), Wangaratta (City), Warrnambool (City), Wodonga.

The 31 local authorities listed above contain most of the population living in 28 provincial cities in these States, 15 in New South Wales and 13 in Victoria. The 15 urban centres in New South Wales are the same as the local authority in name. The situation in Victoria, where there are 3 fewer urban centres than local authorities, is the result of the fragmented local government structure of the provincial cities of Ballarat and Bendigo. The urban centre of Ballarat

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<sup>2</sup>Cities Commission, *A Recommended New Cities Programme for the Period 1973-1978*, AGPS, Canberra, 1973, p. 12.

<sup>3</sup>The only cities completely excluded are Griffith and Nowra-Bomaderry. However parts of the urban centres of Lithgow, Orange, Taree, and Tamworth in New South Wales, and Ballarat, Bendigo, Colac, and Moe-Yallourn in Victoria, are governed to a small extent by local authorities not in this list.

is governed by 6 local authorities, only 3 of which (Ballarat, Ballarat, Sebastopol) are included in the list; the other 3 local authority areas excluded have an urban population proportion which is less than 75 per cent. Similarly, the urban centre of Bendigo is governed by 4 local authorities, of which 2 are included in the above list (Bendigo, Eaglehawk).

Details of the relationships between the urban centres and the local authority areas are given in a note to Table I, and Table II summarises some of the main population characteristics of the areas at 30 June 1971.

Table I. Population and Population Growth. Local Government Areas of Albany, Wodonga, 15 Selected Areas in New South Wales and 16 Selected Areas in Victoria. Years ended 1947, 1954, 1961, 1966, 1971 to 1976.

Part A. Population

Year ended 30 June	Albany ,000	15 NSW Local Authorities ,000	Albany as a % of Total for 15	Wodonga ,000	16 Victorian Local Authorities ,000	Wodonga as a % of Total for 16
1947	16.0	193.1	8.27	4.3	149.8	2.85
1954	19.3	233.7	8.26	7.3	186.9	3.91
1961	23.0	263.0	8.74	9.6	229.1	4.18
1966	25.1	280.9	8.94	11.2	250.3	4.49
1971	28.4	308.0	9.23	13.1	261.8	4.99
1972	29.2	313.4	9.32	13.2	263.4	4.99
1973	29.8	318.7	9.35	13.4	265.3	5.06
1974	31.4	325.2	9.64	13.9	268.0	5.19
1975	32.3	331.1	9.74	14.4	270.2	5.34
1976	32.9	337.2	9.77	15.7	274.0	5.74

Table I (continued)

## Part B. Urban Proportion of Population (% of Total Population)

Year ended 30 June	Albury	15 NSW Local Authorities	Wodonga	16 Victorian Local Authorities
1947	92	97	77	91
1954	93	97	72	95
1961	93	98	78	96
1966	93	98	77	96
1971	96	98	81	96
1976	n.a.	n.a.	87	n.a.

## Part C. Population Growth. % per annum

Period	Albury	15 NSW Local Authorities	Wodonga	16 Victorian Local Authorities
1947-54	2.4	2.7	8.1	3.2
1954-61	2.5	1.7	3.5	2.9
1961-66	1.8	1.3	3.3	1.8
1966-71	2.5	1.8	3.0	0.9
1971-72	2.8	1.7	0.6	0.6
1972-73	2.0	1.7	2.1	0.7
1973-74	5.2	2.1	3.5	1.0
1974-75	3.7	1.8	3.8	0.8
1975-76	2.1	1.9	9.0	1.4

Table I (continued)

*Notes:*

- (i) All local authority populations have been adjusted where necessary to account for boundary changes since 1947, to conform to the 1976 areas. This applies to Albury, Coffs Harbour, Grafton, Moe and Traralgon.
- (ii) The population in the Bonegilla Immigration Reception and Training Centre has been excluded from the population of Wodonga for the years ended 30 June 1954 (3613 persons in Centre), 1971 (3401) and 1966 (639). The Centre was closed in December 1967.
- (iii) The classification of local authorities referred to in footnote 1 is a two-way classification based on the size of the urban centre and the relationships between the boundaries of the urban centre and the local government area. The features of the second kind of relationship are shown below:

<u>Class of Local Authority</u>	<u>Description of relationship between urban centre and local authority area</u>	<u>Local Authority Areas (statistics refer to 30 June 1971)</u>
CM1 or CS1	local authority area and urban centre identical; i.e., local authority is completely urban	<u>New South Wales:</u> Armidale, Bathurst, Broken Hill, Dubbo, Goulburn, Grafton, Lismore. <u>Victoria:</u> Horsham, Mildura, Sale, Shepparton, Traralgon, Wangaratta, Warrnambool.
CM2 or CS2	local authority area contains only part of the urban centre, but is completely urban	<u>New South Wales:</u> Lithgow (98% or urban centre of Lithgow), Orange (96%), Taree (96%). <u>Victoria:</u> Colac (93% of Colac), Moe (75% of Moe-Yallourn), Sebastopol (9% of Ballarat).
CM3 or CS3	local authority contains all of the urban centre and rural areas as well	<u>New South Wales:</u> Albury (96% urban), Queanbeyan (96%), Wagga Wagga (96%). <u>Victoria:</u> Wodonga (81% urban), (1976 - 87% urban)

Table I (continued)

Class of Local Authority	Description of relationship between urban centre and local authority area	Local Authority Areas (statistics refer to 30 June 1971)
CM4 or CS4	local authority area contains only part of the urban centre and also contains rural areas	<p><u>New South Wales:</u> Tamworth (96% of urban centre of Tamworth, 98% urban).</p> <p>Victoria: Ballarat (67% of urban centre of Ballarat, 99% urban), Bendigo (69% of urban centre of Bendigo, 87% urban), Eaglehawk (11% of urban centre of Bendigo, 90% urban).</p>
CM5 or CS5	Local authority area contains all of the urban centre and rural areas as well (as for CM3 and CS3), but in addition it also contains the whole or parts of other urban centres	<p><u>New South Wales:</u> Coffs Harbour (contains urban centres of Coffs Harbour, Sawtell, Woolgoolga; 76% urban).</p> <p>Victoria: Morwell (contains urban centres of Morwell and Churchill, and part of the urban centre of Moe-Yallourn; 87% urban).</p>
(iv)	The following local authority areas are classified as CM or CS but have been excluded because their urban proportion at 30 June 1971 was less than 75 per cent.	<p><u>New South Wales:</u> Canobolas (19% urban, contains 4% of urban centre of Orange), Cockburn (19% urban, contains 4% of urban centre of Tamworth), Shoalhaven (62% urban, contains all of urban centre of Nowra-Bomaderry as well as several smaller urban centres), Wade (59% urban, contains all of urban centre of Griffith).</p> <p>Victoria: Bungaree (13% urban, contains 1% of urban centre of Ballarat), Buninyong (21% urban, contains 2% of urban centre of Ballarat), Grenville (6% urban, contains 2% of urban centre of Ballarat), Marong (54% urban, contains 8% of urban centre of Bendigo), Strathfieldsaye (72% urban, contains 12% of urban centre of Bendigo), Colac (Shire) (11% urban, contains 7% of urban centre of Colac).</p>
(v)	The following local authority areas are classified as CM or CS but have been excluded because they are within the metropolitan-type Statistical Divisions and Districts.	<p><u>New South Wales:</u> Cessnock Greater, Gosford, Maitland, Wyong.</p> <p>Victoria: Werribee.</p>

Source: Census of Population and Housing, Statistical Bulletin (NSW), Local Government Finance (Victoria), Estimate of Population in Local Authority Areas. C.P. Harris, *The Classification of Australian Local Authorities*.

Table II. Some Characteristics of the Population of the Local Government Areas of Albury and Wodonga, and the Benchmark Groups of New South Wales and Victorian Local Authorities: as at 30 June 1971.

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
	<u>A. MALES</u>			
<b>1. POPULATION</b>				
a. <u>Number</u> (,000)	14.0	151.7	7.1	128.9
b. <u>Males as a % of Total Population</u>	49.2	49.7	54.1	49.4
c. <u>Age Distribution</u> (% of Male Population)				
<u>years</u>				
0 - 4	9.9	9.8	9.4	10.5
5 - 14	21.4	21.0	20.1	21.5
15 - 64	61.5	62.3	66.1	60.5
65 -	7.2	6.9	4.4	7.6
d. <u>Nationality</u> (% of Male Population)				
British	97.3	97.8	95.3	97.3
Other	2.7	2.2	4.7	2.7
e. <u>Birthplace</u> (% of Male Population)				
Australia	89.0	90.9	81.9	87.2
New Zealand	0.4	0.5	0.2	0.3
UK and Ireland	3.6	3.5	4.3	5.3
Germany	1.4	0.5	3.2	0.8
Netherlands	1.1	0.5	1.3	1.3
Yugoslavia	0.7	0.6	3.4	0.7
Other Europe	3.1	2.5	4.9	3.5
All Other Countries	0.7	1.0	0.9	0.8
f. <u>1966 Residence</u> (% of Male Population)				
same dwelling	44.2	44.6	37.4	49.7
same Division:				
urban	15.9	17.2	10.1	16.3
rural	3.3	4.1	4.4	3.8
same State:				
urban	5.4	9.4	8.3	7.0
rural	1.1	1.5	1.6	1.5
other State:				
urban	8.6	3.3	10.1	2.2
rural	2.2	0.6	2.1	0.6
other and not stated	3.5	3.4	5.5	3.7
under 5 years of age or not usual residents	15.8	15.8	20.5	15.2

Table II (continued)

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
<b>2. LABOUR FORCE</b>				
a. <u>Number</u> (,000)	7.6	80.7	4.4	67.3
b. <u>Male Labour Force as a % of Total Labour Force</u>	67.5	68.4	75.6	68.4
c. <u>Male Labour Force as a % of Male Population</u>	54.6	53.2	62.1	52.2
d. <u>Male Labour Force as a % of Male Population aged 15 years and over</u>	79.4	76.9	88.1	76.8
e. <u>Occupational Status</u> (% of Male Labour Force)				
employer	7.7	6.8	3.9	6.2
self-employed	6.1	6.0	5.2	5.6
employee	84.4	85.5	90.2	86.4
helper	0.2	0.2	0.1	0.2
unemployed	1.5	1.4	0.6	1.6
f. <u>Occupation</u> (% of Male Labour Force)				
professional	6.0	8.0	3.2	7.6
administrative	11.4	9.1	5.1	8.1
clerical	7.2	7.0	5.3	5.7
sales workers	9.4	7.8	4.2	7.2
farmers etc.	3.8	5.0	5.0	4.8
miners	0.1	3.6	0.1	0.7
transport workers	8.8	8.6	6.6	7.2
craftsmen etc.	40.2	39.6	32.7	45.3
service workers etc.	4.2	4.9	2.9	4.4
armed services	3.0	1.2	30.9	2.9
other and not stated	4.4	3.8	3.5	4.4
unemployed	1.5	1.4	0.6	1.6
g. <u>Industry</u> (% of Male Labour Force)				
agriculture	2.9	4.2	4.0	4.1
mining	0.1	6.4	0.1	2.1
manufacturing	17.5	16.1	16.1	22.6
electricity	1.4	3.1	0.8	8.0
construction	13.1	13.1	9.5	11.4
wholesale and retail	27.0	20.1	12.7	19.4
transport and storage	7.1	7.2	5.7	5.0
communication	1.9	2.4	1.2	2.2
finance etc.	5.6	4.7	2.4	3.9
public administration and defence	8.2	5.8	39.5	5.9
community services	5.1	7.8	2.8	7.1
entertainment	4.4	4.2	2.0	3.3
other and not stated	4.1	3.5	2.6	3.6
unemployed	1.5	1.4	0.6	1.6

Table II (continued)

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
	<u>B. FEMALES</u>			
<u>1. POPULATION</u>				
a. <u>Number</u> (,000)	14.4	153.7	6.0	131.8
b. <u>Females as a % of Total Population</u>	50.8	50.3	45.9	50.6
c. <u>Age Distribution</u> (% of Female Population) years				
0 - 4	9.3	9.2	10.9	9.6
5 - 14	19.9	19.9	22.6	20.1
15 - 64	60.7	61.4	60.2	59.6
65 -	10.2	9.5	6.3	10.6
d. <u>Nationality</u> (% of Female Population)				
British	97.6	98.3	95.4	97.6
Other	2.4	1.7	4.6	2.4
e. <u>Birthplace</u> (% of Female Population)				
Australia	91.0	92.8	84.0	89.2
New Zealand	0.3	0.4	0.2	0.2
UK and Ireland	3.1	3.0	2.7	4.8
Germany	1.4	0.5	3.5	0.8
Netherlands	0.9	0.4	1.0	1.2
Yugoslavia	0.5	0.4	3.2	0.5
Other Europe	2.3	1.7	4.5	2.7
All Other Countries	0.5	0.7	0.9	0.7
f. <u>1966 Residence</u> (% of Female Population)				
same dwelling	45.5	46.5	42.9	50.9
same Division:				
urban	16.1	17.3	11.6	16.5
rural	3.5	4.4	5.5	4.2
same State:				
urban	5.5	8.8	8.1	7.0
rural	1.5	1.5	1.3	1.6
other State:				
urban	8.4	3.2	8.9	2.0
rural	1.9	0.5	1.6	0.5
other and not stated	3.2	3.1	4.7	3.6
under 5 years of age or not usual residents	14.4	14.5	15.5	13.6
<u>2. LABOUR FORCE</u>				
a. <u>Number</u> (,000)	3.7	37.2	1.4	31.2
b. <u>Female Labour Force as a % of Total Labour Force</u>	32.5	31.6	29.4	31.7

Table II (continued)

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
<u>2. LABOUR FORCE--cont.</u>				
c. <u>Female Labour Force as a % of Female Population</u>	25.4	24.2	23.6	23.6
d. <u>Female Labour Force as a % of Female Population Aged 15 years and over</u>	35.8	34.2	35.5	33.7
e. <u>Occupational Status</u> (% of Female Labour Force)				
employer	4.0	4.0	4.6	3.8
self-employed	3.7	3.6	3.8	3.5
employee	87.4	88.2	86.6	88.6
helper	1.7	1.4	1.2	1.2
unemployed	3.2	2.8	3.8	2.9
f. <u>Occupation</u> (% of Female Labour Force)				
professional	14.5	15.9	11.4	15.8
administrative	2.8	2.6	3.6	2.6
clerical	29.5	28.1	25.5	23.3
sales workers	14.5	14.6	12.9	15.1
farmers etc.	1.4	1.2	3.2	1.6
miners	(..)	(..)	(..)	(..)
transport workers	1.9	2.2	2.0	1.7
craftsmen etc.	9.1	7.6	9.7	14.8
service workers etc.	18.3	21.2	21.7	17.5
armed services	(..)	0.1	0.7	0.1
other and not stated	4.8	3.9	5.5	4.6
unemployed	3.2	2.8	3.8	2.9
g. <u>Industry</u> (% of Female Labour Force)				
agriculture	1.5	1.3	3.2	1.7
mining	(..)	0.5	(..)	0.1
manufacturing	11.4	9.9	12.5	17.4
electricity	0.4	0.5	0.2	0.8
construction	1.1	1.0	0.8	0.9
wholesale and retail	28.0	24.2	25.5	25.1
transport and storage	1.3	1.6	1.1	0.9
communication	1.5	1.7	1.3	1.4
finance etc.	9.4	8.5	6.3	5.5
public administration and defence	1.9	4.0	6.2	2.7
community services	20.7	26.5	19.1	25.8
entertainment	15.5	14.2	15.0	11.1
others not stated	4.0	3.1	4.9	3.5
unemployed	3.2	2.8	3.8	2.9

Table II (continued)

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
<u>C. PERSONS</u>				
<u>1. POPULATION</u>				
a. <u>Number</u> (,000)	28.4	305.4	13.1	260.7
b. <u>Males per 100 Females</u>	98.4	99.4	108.2	98.8
c. <u>Age Distribution</u> (% of Population)				
<u>years</u>				
0 - 4	9.6	9.6	10.1	10.1
5 - 14	20.6	20.4	21.3	20.8
15 - 64	61.1	61.8	63.4	60.0
65 -	8.7	8.2	5.2	9.1
d. <u>Nationality</u> (% of Population)				
British	97.5	98.1	95.4	97.4
Other	2.5	1.9	4.6	2.6
e. <u>Birthplace</u> (% of Population)				
Australia	90.0	91.9	82.9	88.2
New Zealand	0.3	0.4	0.2	0.3
UK and Ireland	3.4	3.3	3.6	5.1
Germany	1.4	0.5	3.4	0.8
Netherlands	1.0	0.4	1.2	1.2
Yugoslavia	0.6	0.5	3.3	0.6
Other Europe	2.7	2.1	4.7	3.1
All Other Countries	0.6	0.9	0.9	0.7
f. <u>1966 Residence</u> (% of Population)				
same dwelling	44.9	45.6	39.9	50.3
same Division:				
urban	16.0	17.3	10.8	16.4
rural	3.4	4.3	4.9	4.0
same State:				
urban	5.4	9.1	8.2	7.0
rural	1.3	1.5	1.4	1.6
other State:				
urban	8.5	3.2	9.5	2.1
rural	2.1	0.6	1.9	0.5
other and not stated	3.3	3.3	5.2	3.7
under 5 years of age or not usual residents	15.1	15.1	18.2	14.4
<u>2. LABOUR FORCE</u>				
a. <u>Number</u> (,000)	11.3	118.0	5.8	98.4
b. <u>Male Labour Force as a % of Total Labour Force</u>	67.5	68.4	75.6	68.4

Table II (continued)

Characteristic	Albury	15 NSW local authorities	Wodonga	16 Victorian local authorities
c. <u>Labour Force as a % of Population</u>	39.7	38.6	44.4	37.8
d. <u>Labour Force as a % of Population aged 15 years and over</u>	56.9	55.1	64.7	54.6
e. <u>Occupation Status</u> (% of Labour Force)				
employer	6.5	5.9	4.1	5.5
self-employed	5.3	5.3	4.9	4.9
employee	85.4	86.4	89.3	87.1
helper	0.7	0.6	0.3	0.5
unemployed	2.1	1.8	1.4	2.0
f. <u>Occupation</u> (% of Labour Force)				
professional	8.8	10.5	5.2	10.2
administrative	8.6	7.1	4.7	6.4
clerical	14.5	13.6	10.2	11.3
sales workers	11.0	9.9	6.3	9.7
farmers etc.	3.0	3.8	4.6	3.8
miners	(..)	2.5	0.1	0.5
transport workers	6.5	6.6	5.5	5.5
craftsmen etc.	30.2	29.4	27.1	35.7
service workers etc.	8.8	10.0	7.5	8.5
armed services	2.0	0.9	23.5	2.0
other and not stated	4.6	3.8	4.0	4.5
unemployed	2.1	1.8	1.4	2.0
g. <u>Industry</u> (% of Labour Force)				
agriculture	2.4	3.3	3.8	3.4
mining	0.1	4.5	0.1	1.5
manufacturing	15.5	14.2	15.2	20.9
electricity	1.1	2.3	0.6	5.7
construction	9.2	9.3	7.4	8.1
wholesale and retail	27.3	21.4	15.8	21.2
transport and storage	5.2	5.4	4.6	3.7
communication	1.8	2.2	1.2	1.9
finance etc.	6.8	5.9	3.4	4.4
public administration and defence	6.2	5.2	31.4	4.9
community services	10.2	13.7	6.8	13.0
entertainment	8.0	7.4	5.2	5.6
other and not stated	4.0	3.4	3.2	3.6
unemployed	2.1	1.8	1.4	2.0

Notes: (i) The symbol (..) signifies a proportion smaller than 0.05 per cent.

(ii) The sum of various elements may not add to the total shown because of rounding.

Source: A.B.S. 1971 Census of Population and Housing. Characteristics of Population and Dwellings in Local Government Areas. New South Wales and Victoria.

## 2. Statistics of Local Government Finance

The remaining part of this Appendix consists of Tables III to VII which give some statistics of local government finances over the period 1971 to 1976.

**Table III.** Rates Levied per Head of Population.  
Albury and 15 Selected Local Government Areas.  
1971 to 1976.

1. Ordinary Services

Local Government Area	Year Ended 31 December (\$ per head)					
	1971	1972	1973	1974	1975	1976
Albury	41	47	52	60	105	138
Armidale	22	24	28	35	48	57
Bathurst	40	41	43	52	85	98
Broken Hill*	41	51	54	56	72	89
Coffs Harbour	35	43	47	50	58	79
Dubbo	40	48	53	57	74	90
Goulburn	28	32	34	40	54	62
Grafton	31	34	40	50	69	82
Lismore	34	39	43	49	62	77
Lithgow	29	37	43	53	67	72
Orange	28	32	39	51	75	96
Queanbeyan	29	34	39	50	74	98
Tamworth	31	38	44	52	62	77
Taree*	28	31	40	45	59	78
Wagga Wagga*	35	36	39	49	62	73
<b>Average:</b>						
Group of 15	33	37	43	51	70	86
Group of 12	33	36	42	50	71	88
<b>Albury as a percentage of average:</b>						
Group of 15	124	127	121	118	150	160
Group of 12	124	131	124	120	149	157

Table III (continued)

## 2. Water Supply

Local Government Area	Year Ended 31 December (\$ per head)					
	1971	1972	1973	1974	1975	1976
Albury	4	5	5	7	15	17
Armidale	15	15	16	16	17	20
Bathurst	14	16	17	18	27	32
Broken Hill*	not applicable					
Coffs Harbour	11	11	11	12	13	18
Dubbo	9	11	11	12	15	19
Goulburn	7	8	8	9	12	15
Grafton	8	9	10	10	16	18
Lismore	15	15	16	18	20	25
Lithgow	9	11	12	12	16	22
Orange	12	12	15	17	17	22
Queanbeyan	12	13	13	16	20	25
Tamworth	7	9	10	10	13	24
Taree*	11	not applicable				19
Wagga Wagga*	not applicable					
Average:						
Group of 13	10	-	-	-	-	21
Group of 12	10	11	12	13	16	21
Albury as a percentage of average:						
Group of 13	40	-	-	-	-	81
Group of 12	40	45	42	54	94	81

Table III (continued)

## 3. Sewerage

Local Government Area	Year Ended 31 December (\$ per head)					
	1971	1972	1973	1974	1975	1976
Albury	7	7	7	8	9	13
Armidale	7	7	8	8	9	12
Bathurst	9	10	10	12	17	20
Broken Hill*	not applicable					
Coffs Harbour	4	7	10	12	13	19
Dubbo	9	9	9	10	10	14
Goulburn	7	8	8	10	12	16
Grafton	9	12	12	15	16	27
Lismore	9	11	10	18	13	16
Lithgow	6	9	8	10	13	17
Orange	8	10	10	11	14	18
Queanbeyan	9	10	11	12	14	19
Tamworth	7	9	10	11	14	19
Taree*	6	6	8	9	14	23
Wagga Wagga*	8	8	8	11	14	18
Average:						
Group of 14	7	9	9	11	11	18
Group of 12	7	9	9	11	11	17
Albury as a percentage of average:						
Group of 14	100	78	78	73	82	72
Group of 12	100	78	78	73	82	76

Table III (continued)

4. Total, All Services - Ordinary Services,  
Water and Sewerage

Local Government Area	Year Ended 31 December (\$ per head)					
	1971	1972	1973	1974	1975	1976
Albury	52	59	64	75	129	168
Armidale	44	46	52	59	74	89
Bathurst	63	67	70	82	129	150
Broken Hill*		not applicable				
Coffs Harbour	50	61	68	74	84	116
Dubbo	58	68	73	79	99	123
Goulburn	42	48	50	59	78	93
Grafton	48	55	62	75	101	125
Lismore	58	65	69	85	95	118
Lithgow	44	57	63	75	96	111
Orange	48	54	64	79	106	136
Queanbeyan	50	57	63	78	108	142
Tamworth	45	56	64	73	89	124
Taree*	45	not applicable				119
Wagga Wagga*		not applicable				
Average for Group of 12	50	56	63	74	98	126
Albury as a percentage of group average	104	105	102	101	132	133

*Notes:* (\*) The Councils of Broken Hill and Wagga Wagga do not supply water, and Taree Council was not responsible for water in all years. Broken Hill is also not responsible for sewerage. The statistics relate to rates levied not rates collected.

*Source:* ABS (NSW Office): Local Government; Rates Levied by Local Government Councils; Census of Population and Housing, 30th June 1976.

Table IV. Net Expenditure and Income per Head of Population  
Years ended 31 December 1971 to 1976 (Albury)

Item	Albury \$						Group of NSW Local Authorities \$			
	1971	1972	1973	1974	1975	1976 (Est.)	1971	1972	1973	1974
<u>1. Ordinary Services</u>										
<u>Net Expenditure Per Head of Population \$</u>										
public works	18	27	31	45	73	63	20	27	31	34
health administration	6	8	9	11	16	20	4	5	6	7
public services	6	6	6	9	7	3	6	7	8	11
council properties	2	3	3	4	5	5	1	1	1	2
administration	4	5	6	9	11	13	5	5	7	9
interest and redemption	9	10	10	12	17	26	9	10	11	14
other	1	1	2	1	2	3	2	2	2	2
Total	46	59	67	91	131	133	47	57	66	79
<u>Income Per Head of Population \$</u>										
rates and charges	41	47	52	60	106	130	34	39	44	52
government grants	4	8	8	11	28	17	6	13	14	13
other	2	2	3	6	4	3	3	5	7	8
Total	47	57	63	77	138	150	43	57	65	73
<u>2. Water Supply</u>										
<u>Expenditure Per Head of Population \$</u>										
interest and redemption	3	3	4	4	5	6	6	6	7	7
other	6	6	6	8	11	13	8	10	11	13
Total	9	9	10	12	16	19	15	16	18	20
<u>Income Per Head of Population \$</u>										
Total	6	10	10	12	24	22	17	18	18	21

Table IV (continued)

Item	Albury \$						Group of NSW Local Authorities \$				
	1971	1972	1973	1974	1975	1976 (Est.)	1971	1972	1973	1974	
	3. <u>Sewerage</u>										
<u>Expenditure Per Head of Population \$</u>											
interest and redemption	3	4	4	4	5	6	4	5	5	5	
other	4	4	4	6	7	13	6	6	7	9	
Total	7	8	8	10	12	19	10	11	12	14	
<u>Income Per Head of Population \$</u>											
Total	9	8	9	12	18	22	11	13	13	15	
	4. <u>All Services</u>										
<u>Net Expenditure Per Head of Population \$</u>											
interest and redemption	15	17	18	20	27	36	19	21	23	26	
other	47	59	67	93	132	133	53	63	73	87	
Total	62	76	85	113	159	169	72	84	96	113	
<u>Income Per Head of Population \$</u>											
Total	62	75	82	101	180	194	71	88	96	109	

Notes: (i) Net expenditure per head of population, ordinary services: gross expenditure minus income for each item (ii) 1975 and 1976 data not available for New South Wales (iii) 1976 figures for Albury based on budget estimates, and the final expenditure pattern may well differ from the estimates (iv) the 1976 budget estimates exclude growth centre grants to preserve comparability it has been assumed that the 1976 grants will be the same as in 1975 (v) deferred interest payable on growth centre loans have been included in interest payments.

Source: ABS (NSW Office) Local Government; Albury City Council, Annual Statements and Rate Estimates All Funds 1976.

**Table V. Debt Service Payments as a Proportion  
of Rates Levied (Albury)**

Service	Year Ended 31 December. % of Rates Levied									
	Albury						NSW Group			
	1971	1972	1973	1974	1975	1976	1971	1972	1973	1974
ordinary services	21	20	19	19	16	19	28	27	27	28
water supply	70	60	74	53	33	29	61	57	58	55
sewerage	49	57	63	50	33	47	55	54	55	50
All Services	28	28	28	25	21	22	38	36	35	35

*Notes:* NSW group details:

- (i) for ordinary services - 15 local authorities
- (ii) for water supply, 12 local authorities (excluding Broken Hill, Taree, Wagga Wagga)
- (iii) for sewerage, 14 local authorities (excluding Broken Hill)
- (iv) for all services, 12 local authorities (excluding Broken Hill, Taree, Wagga Wagga).

*Source:* As for Tables III and IV.

**Table VI** Net Expenditure and Income, Ordinary Services,  
Per Head of Population. (Wodonga)  
Years ended 30 September 1971 to 1976

Item	Wodonga \$						Victorian Group of 16 Local Authorities					
	1971	1972	1973	1974	1975	1976 (Est.)	1971	1972	1973	1974	1975	
	<u>1. Net Expenditure Per Head \$</u>											
public works and services	20	24	24	23	43	54	19	22	26	30	54	
administration	8	9	10	15	21	29	7	8	9	12	16	
debt services	7	8	9	10	12	14	7	7	8	9	10	
other	2	3	3	3	4	4	2	3	3	5	9	
Total	37	44	46	51	80	101	35	40	46	56	89	
Capitalised Interest*					1	3						
	<u>2. Net Income Per Head \$</u>											
taxation (rates)	21	24	27	34	42	49	26	29	32	38	47	
government grants	4	8	8	9	35	42	5	7	9	9	31	
other	11	15	16	13	8	10	4	4	5	7	13	
Total	36	47	51	56	85	101	35	40	46	54	91	

*Notes:* (i) The 1975 values for the group exclude Sale, data for which was not available.

(ii) The 1976 figures for Wodonga are budget estimates.

*Source:* ABS (Victorian Office), Local Government Finance; Rural City of Wodonga, Financial Statements and Estimates for year ending 30 September 1976.

\* Estimated contingent loan liability for capitalised (deferred) interest on loans under the Municipal Assistance Program.

**Table VII** Sewerage and Water Rates Per Head of Population. Years ended 30 September 1971 to 1976. (Wodonga)

Area	Rates per head \$					
	1971	1972	1973	1974	1975	1976 (est.)
Sewerage						
Wodonga	10	10	11	13	17	18
Group of 13 authorities	8	8	8	9	11	
Water						
Wodonga	4	5	5	6	9	10
Other Water Trusts						
Number						
1	8					
2			7			
3				6		
5					10	

*Source:* As for Table VI. Details of the Water Works Trusts are: 1971 Shepparton; 1973 Horsham, Sale; 1974 Colac, Moe, Traralgon; 1975 Ballarat, Mildura, Morwell, Wangaratta, Warrnambool.

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1. Legislation
2. Publications by the New South Wales Government and Statutory Bodies
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4. Publications by the Commonwealth Government and Departments and Authorities
5. Local Government.

Within the above sections, entries are listed in alphabetical order not in order of date of publication or issue.

In addition to the above four sections, Section 6 lists other works cited in the text.

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## Regional Planning in New South Wales and Victoria Since 1944

C. P. Harris and Kay E. Dixon

The first part of the book reviews the development of regional planning authorities and policies in New South Wales and Victoria since 1944, with respect to the regional components of statutory planning and policies concerned with decentralisation, regional growth centres, system-cities and satellite towns. The involvement of the Commonwealth Government in the field of regional planning is also examined.

The second part of the book discusses the Albury-Wodonga growth centre, which was instituted as a joint Commonwealth-State project in 1973. The development of the growth centre is analysed to the end of 1977 and problems facing its future expansion are also discussed.

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