

Walter Burley Griffin Memorial Lecture — 22 November 1974

Urban Past — Urban Future

By R. B. Lansdown, Secretary, Department of Urban and Regional Development

Abstract:

R. B. Lansdown gives an account of the post WWII institutional environment that led to the creation of the DURD of which he was Secretary. He is concerned to maintain a "cooperation federalism" and national participation in the planning process, in ways to ensure Federal responsibilities for co-ordination in future planning are strictly maintained without interference with the legitimate activities of States. Regional policy and improvement progress are discussed, and the benefits of a regional approach to planning is emphasised.

In 1968, the Prime Minister, Mr Whitlam — then leader of the Opposition — used this forum to call for the establishment of a federal Department of Urban Affairs. In 1972, Tom Uren, now the Minister for Urban and Regional Development, spoke from the same podium, stressing the need to solve the problems of the cities. The Department which Mr Whitlam presaged, and which forms the major part of Mr Uren's portfolio has now been in operation for almost two years. This would seem to be an appropriate occasion to restate just why it was established; and to reflect upon the future of the urban initiative.

First let me say that the Australian Government, whatever its character or form is inextricably involved in urban and regional development. This involvement has nothing to do with political or personal whims or wishes. It has nothing to do with fashionable causes. Australia is, after all, one nation. And as one nation it has a national government, with national responsibilities. A great number of decisions which must be made by the national government affect the process of urban and regional development, either directly, or indirectly. A federal government cannot divorce itself from the urban and regional implications of a large number of these decisions. It is the Australian Government which is responsible for managing the national economy and for providing for the general social welfare of the Australian community. As most of the country's gross fixed capital expenditure and the vast majority of the population relocated in metropolitan areas, this brings Australian Government responsibility into the urban arena.

Let me give you some other examples:

Transport and communications policies are matters of urban significance which are clearly national, as anyone who has travelled down the Hume Highway lately, or been struck by the early anomalies of lack of standard gauge railways in Australia would realise. They are equally clearly matters of vital importance in the development and servicing of towns and regions.

Tariff policy is another federal responsibility, which has urban implications, in terms of its effects on employment. This has been demonstrated by the recent experience of decentralised clothing factories retrenching workers who are then unable to find other jobs

in towns such as Wangaratta where they were formerly working. Thus the provision by State governments of incentives to industry to decentralise must take into consideration the possible effects of changing national policy, even in such an apparently unrelated area as tariffs.

Other Australian government responsibilities which have an important effect on the nature of urbanisation and on the structure and functions of cities include immigration and its relation to total population; social services, and their role in the provision of physical, social and cultural amenities; rural relief, in connection with its ability to halt a drift to the cities, and the entire broad range of fiscal and monetary policies. Taking up this last point, I should like to stress the critical role of national economic management on urban and regional development. People often tend to think of the Department of Urban and Regional Development in terms of traditional physical planning, but any examination of our staff structure would show a far greater proportion of economists than planners. The flows of funds to different types of institutions and the balance between private and public investment in areas such as housing, to pick one example, are extremely important factors in the area in which we are working.

More direct involvement of the Australian Government in urban and regional development issues is found in decisions on the location of military bases, and of Australian Government office buildings; in aid for roads, public housing, education facilities and community health centres, and in decisions on the use or preservation of areas and structures of importance to our national heritage. Payments to the States and to semi-government authorities made in various forms by the national government are also a substantial influence on the structure and development of urban and regional centres.

Urban and regional development is thus undeniably a federal as well as a State matter. What is new about the situation over the past two years is not that the Australian Government is involved in these questions, but that it has directly acknowledged the urban implications of much of its decision making, and has determined to co-ordinate its investment policies and other related policies in this field.

In the past 74 years, decisions have frequently been taken without a full awareness of their effects on the urban structure of this country. In his Walter Burley Griffin Memorial Lecture in 1968, Mr Whitlam brought out the unrelated nature of decision-making in urban areas. He mentioned that except in Brisbane and Canberra, the planning organisation was not the one which spent the funds. He went on to say, and I quote:

The organisations which spend the funds, see their responsibility as running trains, generating electricity, supplying water, building schools and so on. The organisations which spend the funds have instrumental goals, which they quite rightly pursue in the way that seems most efficient from their own sectional point of view. The Loan Council allocates these organisations investment funds which they spend in the way which suits their own sub-system best. Whether the objectives of the main roads authority are consistent with those of the water supply and sewerage authority is a question which no one in particular has a responsibility to examine. Whether

their objectives are consistent with those of the local planning agency is, equally a matter of chance.

This type of ad hoc unco-ordinated decision-making — now changing in most areas — has been coupled with continuing population increases, largely centred in the cities, plus growing expectations of what constitute the necessities of life. The result in the past, as we all know, has been the spread of suburbs lacking in basic services and natural centres around which some simple sense of community can develop. The result has been the overconcentration of commerce, employment opportunities and services on the central business district of major cities, with the resulting redevelopment pressures, destruction of residential districts and growing traffic and commuter problems. The result has been the drift to the cities from the country which has complicated all these difficulties, and led to an equivalent decline in small regional centres. And the further result has been the unprecedented growth of groups demanding a say in decisions affecting the structure of their environment and consequently the way in which they lead their lives.

It was against this background that the Australian Government moved into urban and regional development in a concentrated way, to act directly in this area by forming a new federal department. I would like to stress here, that I do not see this developing consciousness of a national responsibility for urban issues as a party political matter. Before the end of 1972, the Liberal Country Party government under Mr McMahon had formed the National Urban and Regional Development Authority, which later evolved into the Cities Commission. I do not believe that federal governments in future will want to shield themselves from the effects of their decisions on urban and regional development throughout this country. The need for positive co-operative action in urban affairs has been recognised by governments and by the community alike. But recognition of this need, and acceptance of the social goals and responsibilities, is only the beginning. They must be translated into institutional structures and new ways of operating so that the required changes can be put into effect.

Walter Burley Griffin, after whom this annual lecture is named was one architect and planner who particularly realised the importance of the ways in which cities operated, and the institutional relationships involved in the life of a city. Ironically he learnt in a bitter way how the realisation of a dream can be shattered by institutional disruptions. In his biography of Waler Burley Griffin, James Birrell recounts the difficulties Griffin had with bureaucrats and with politicians in attempting to carry out his task of making his prize-winning plan of Canberra into a reality. The sort of obstructionism which led to the establishment in June 1916 of a Royal Commission into Federal Capital Administration was far from helpful to the creation of Burley Griffin's new city. The difficulties to which he was subject highlight the need for the establishment of effective administrative and institutional structures, to contain the pressures involved in the many issues arising in the processes of urban and regional development.

The Department of Urban and Regional Development sees its main role as facilitating the co-ordination of urban and regional initiatives throughout Australia. This necessitates not only being concerned with the inter-relationships of Australian Government decisions; but it also involves the task of co-operating and consulting with State and local governments to try to ensure that investment and development decisions by all levels of government

complement and do not conflict with each other. It also necessitates continuing consultation with the private sector, for much the same reasons, as well as for taking advantage of its skill and experience; and it means frequent consultation and contact with the community, so that government decisions reflect the needs of the people as the community perceives them.

A total of \$254 million has been set aside for payment to the States for urban and regional projects this year. This is a lot of money. But DURD is not primarily a money-spending Department. The success or failure of our programs does not lie simply in keeping to time-tables in terms of ensuring that Australia's major cities are seweraged, or in providing specific amounts in particular regions.

The success of our specific programs, and of the Department as a whole depends on how well the three levels of government learn to work together; and on how thoroughly they learn the lesson that a planned and comprehensive approach to decision-making in this field is essential if Australians are to have satisfactory living environments in the future. The success of our programs depends in short on the development of a true and far-sighted co-operative federalism.

Although this realisation resulted in positive and practical action in 1972, there had been discussion long before this of the need for action. The necessity for such an approach and for the concomitant direct involvement of the national government was seen as far back as 1944–45. The Commonwealth Housing Commission, reporting to the Minister of Post-War Reconstruction, saw national, regional and town planning as "an urgent national need". The report, which was commissioned to inquire into housing in Australia took a comprehensive approach to its subject. It stated: "In the past what planning has been done, has been applied in a limited way to towns or sections of towns. We are of the opinion that adequate planning can only be undertaken when firstly the region and secondly the State or nation is considered as a whole. No small community can live by itself. All are dependent on the production and on interchange with both adjacent and distant areas".

If the vision of this report was never fully reflected in practice, there have still been a number of agreements in the past which have reflected the recognition by State and federal governments, that on certain matters it was essential to take a co-operative national view. Some of these are outlined by Professor Ross Anderson in an essay on "The States and Relations with the Commonwealth". He mentions the War Service Land Settlements Agreement Act as one such joint federal/State exercise. This scheme aimed to settle ex-servicemen on land, with the help of federal finance and assistance in training. Another example of co-operation includes the Snowy Mountains Hydro Electric Scheme. This involved an agreement between the Commonwealth, New South Wales and Victoria on the construction of the Snowy Mountains Scheme for hydro-electricity and irrigation.

Another measure of overt Australian Government involvement in urban matters before 1972 can be seen in an examination of Australian Government financial allocations to the States. In the years before the formation of the Department of Urban and Regional Development, the Australian Government had been involved in an increasing way in financing, and occasionally in administering programs of direct relevance to the areas

covered by the new Department. These include among other things, rising allocations to the States for housing, road transport and for protection of the environment. But these activities had been carried on in the absence of a comprehensive and broadly stated policy on the urban development objectives of which they formed part.

The advent of the Department of Urban and Regional Development has provided an instrument not only for ensuring that existing federal action was co-ordinated, but has, with other moves, led to a greater involvement in specific purpose payments to the States. Grants for specific purposes have increased from \$306.8 million in 1962–63 to \$1568.1 million in 1973–74, compared with an increase in general purpose and Loan Council borrowings from \$1078.9 to \$2790.5 million over the same period. Special purpose grants under Section 96 of the Constitution are particularly relevant to the Department of Urban and Regional Development. The Budget figure I mentioned earlier is largely granted in this way.

This increased emphasis on special purpose grants, which has been viewed with misgivings by some of the States was explained thus by the Prime Minister at his opening speech at the June 1973 Premiers' Conference:

From now on, we will expect to be involved in the planning of the function in which we are financially involved. We believe that it would be irresponsible for the national government to content itself with simply providing funds without being involved in the process by which priorities are met, and by which expenditures are planned and by which standards are met.

It is surprising how little attention commentators have given to this speech, and in particular to the section which I have just quoted and which is a vital key to the progress of co-operative federalism. So much of the continuing debate about federal/State relations is about the extent of program control and approval by the Australian Government. We can all understand this concern on the part of the States, and why it rouses so much fervour. From the State governments' point of view, program control carries the connotation that Canberra knows best. From State officers point of view not only does it imply being subservient to those distant people in Canberra, but it carries the ever present threat that their work programs may be disrupted by late federal approval or even by federal rejections.

But let it be clear that officers of the Australian Government do not wish to be involved in the detailed minutiae of specific State programs. No professional worth their salt wishes to become an auditor of somebody else's work. And, most importantly, if the Australian Government has to wait until programs are submitted before it can make decisions, then this would obviously be an inadequate mechanism for achieving national objectives. What the Australian Government is concerned with is how programs fit in with broad national planning priorities.

I do not see program approval completely disappearing from specific purpose government allocations in the foreseeable future, but I do see us moving towards a position where it is but a minor and final step in a co-operative mechanism for the development of a broad planned approach. As far as I am concerned, the real and only means by which the

national interest in various functions can be effectively expressed is by national participation in the planning process. If we can develop means for ensuring that national objectives — as well as State and local objectives — are borne in mind and influence the conception of particular project planning and design, then we will have better decisions. For this reason we have recently initiated our first regular meeting of planners from State and Australian Governments, to talk about common problems.

The Australian Government is also seeking representation on the boards of State Public Transport Authorities and on other bodies involved in decisions in road planning. These moves should ensure that national initiatives in those particular programs are known and discussed with the States — and, when appropriate with local government — at the beginning of the planning process, rather than at the end. This sort of approach is surely what co-operative federalism is all about, and this is, I am confident, a continuing feature of Federal/State relations in this country.

Since its inception officers of the Department of Urban and Regional Development, together with officials from other departments in related areas, have developed a close relationship with officials in the States. This has led to a greater understanding of the activities and motivations of the different levels of Government and has eased the way to co-operative ventures. But the best means of providing a structure for these ventures has often been hard to find, however willing all parties might be to proceed.

The implementation of co-operative federalism has frequently been inhibited rather than helped by constitutional restrictions, which is one reason why the Department has had to rely so heavily on the somewhat blunt instrument of Section 96. There are other sections of the Constitution designed to ease federal co-operation, but they do not go far enough for present day needs. Section 81 — which states that all revenues raised by the Commonwealth should be appropriated for purposes of the Commonwealth in the manner imposed by the Constitution — is a section which some commentators consider could be used instead of, or as a complement to Section 96. But even with the use of other sections of the Constitution, the framework from within which truly co-operative federal agreements can emerge is restrictive, and largely based on monetary agreements.

Despite this, we have reached a number of agreements with the States which provide major examples of co-operative efforts to improve the quality of Australian cities and towns. The structures and agreements which have emerged from plans to develop Albury/Wodonga as a major Australian city provide an excellent model of co-operation between the Australian government and two State Governments.

In the initial stages, they included the creation of a Ministerial Council to oversee the development of the growth centre. This was made up of three Ministers, one from each government. An interim officials' council was also set up, drawing on officers of the three governments to service the Ministerial Council. As Mr Uren freely admits, there were initial frictions at meetings of the Ministerial Council, comprising as it did, Ministers from rival political parties and different levels of government. But these were resolved and the Council, supported by the body of State and Federal officials, functioned well.

Their prime chore was to determine the form to be taken by the Development Corporation which would be set up to plan and develop the areas designated for urban growth in Albury/Wodonga. The structure eventually agreed upon was made up of three legal corporations under State and Australian Government law, operating in practice as a single corporation. Although this might initially appear a complex solution, it provided a way around legal restraints which would have prevented the three Governments working equally together.

The Development Corporation is now in being, and through both its creation and operation has provided the State and Australian Governments with valuable experience in working closely together, on a national project.

Most people know something about Albury/Wodonga — which is an identifiable place on the map. Fewer are as familiar with the new instrument of Federal/State partnership in land development — the Land Commissions.

The Australian Government has proposed that each State establish a Land Commission or Urban Land Council to acquire and develop large tracts of land needed for urban development. Separate agreements are being negotiated with each State, working from a basic set of principles, which is modified to suit each State's requirements.

Part of the Governments' joint involvement in the program will lead to each State Government introducing measures to stabilise the price of land likely to be acquired by a Land Commission body. Finance to assist the States in acquisition programs will be provided by the Australian Government once agreements have been signed and proposed acquisitions approved. The finance will be provided on a 30 year loan basis at the long term bond rate. Fifty four million dollars has been budgeted for 1973/74.

The Land Commissions would operate within the existing administrative framework of the different States and would be active both in designated growth centres and in other growth areas, initially concentrating on developing areas on the fringes of existing cities. The aim of the program is to help the States acquire land needed for urban development at uninflated prices, and enable them to develop it as required on a comprehensive, planned basis.

A Land Commission is presently operating in South Australia following South Australian legislation in October 1973, and formal agreements are expected in other States soon. In negotiations with the States, the Australian Government is proposing that each State body had at least one nominee of the Australian Government. In South Australia, the Commission comprises a full-time Commissioner, and two part-time nominees, one from the Australian Government and one from the State Government.

The moves to establish these Land Commission bodies have contained several valuable lessons for federalism. I would say the two most valuable and interesting have been firstly, both the role of a national government in identifying a new task for State Governments and the means of implementing that task. And, secondly the need to adapt the general institutional proposals to accommodate different circumstances in each State, while retaining basically similar functions for the bodies established or proposed.

Another area with significant implications for federalism is regional policy. The evaluation of a regional policy should provide a continuing testing ground on which to formulate policies involving all three levels of government. The guiding principles behind the Australian Government's regional programs have been to eliminate the inequalities existing between different areas in Australia and to improve efficiency in the allocation of resources and the delivery of services throughout the nation. There are some 900 local governing bodies in this country, and a smaller number of regional groups — 76 at present — is obviously a better structure through which to operate for planning purposes.

The Australian Government's move into the regional arena follows on from similar moves by the States, and has been stimulated by increasing federal activity in programs directed to local government. It is, I believe, important to stress that programs of the Department of Urban and Regional Development which are established on a regional basis are discussed with the States, and must be approved by both State and federal governments.

The Department of Urban and Regional Development has had the responsibility for defining regional boundaries, and has very largely followed boundaries already established by the States. The Department, and a number of other Australian Government departments with regional programs operates through regional groupings of councils at the local level. These groupings consist of elected representatives from each of the councils in the region.

The regional groupings of councils are not seen as a fourth tier of government, but as a practical way for local government to make its voice heard clearly and strongly. The development of these bodies shows the need for new structures to emerge to match changing governing and community priorities.

There has been concern in some States at the Australian Government's involvement in this area. The principal cause for contention seems to lie in the extended use of the regional groupings of councils set up for the purpose of presenting submissions to the Grants Commission, which was restructured in 1973 to enable it to provide assistance to local government, as well as State Governments. We use these regional groupings because they are seen as purely representing local government, without any Australian or State Government officers, and as such provide a genuine voice for local government. Our concern is to ensure that local government can become a truly equal partner in the three tier system of government. Where State regional bodies already exist, it is expected that the two bodies will work closely together. But to help regional programs operate harmoniously, we must continue to pay close attention to the structures established to carry out these programs, especially where there is any difference of opinion between different levels of government.

On a smaller scale, then the programs I have just described, other Departmental projects, such as the Area Improvement Programs, and projects in inner city areas, have also involved Departmental officials working closely with other levels of Government.

I would like to mention here that in a large proportion of its work, the Department has been very closely involved with local government. This is a new move for a federal department,

and we consider it gives a new dimension to federal co-operation. Officers from the Department throughout the two years it has been in existence, have had frequent face-to-face discussions with local government officials on a variety of matters typically on co-ordination with State officers. By keeping in close contact with that level of government closest to the people we should stop any tendency for the Department to develop a distanced, ivory tower approach to the very particular problems involved in urban and regional development. Such contact also allows local government to give a human face to Canberra bureaucracy.

In Area Improvement Programs, the aim is to provide finance for specific projects in regions particularly suffering the deprivations and short-fall in urban services and amenities which result from rapid uncontrolled growth. The finance goes to local councils and regional groupings of local councils, to spend on projects they have identified in consultation with community representatives. The approval and implementation of these programs involves Australian government officials from the Department of Urban and Regional Development in extensive consultation with local government, and also with State Government representatives who must agree to the programs.

Special projects in Glebe and Woolloomooloo in Sydney and Emerald Hill in Melbourne, have also put the Department in close contact with local government and community groups as well as of course with the relevant State bodies. The projects in both these areas involve the Australian Government in working in association with other levels of government and the community to help retain areas in the inner city for low cost housing, and to preserve buildings and streetscapes of historical value. In Glebe, 19 hectares of land has been acquired. This project which involves my Department and the Department of Housing and Construction and the Cities Commission, should offer a unique opportunity to investigate the problems of inner area development in a practical situation.

In Woolloomooloo, the Australian Government has provided financial assistance to help in the preparation of public plans containing alternatives for the re-development of the area. Financial allocation was also made to brief an urban planner to provide residents in the area with the expertise they needed to respond to the proposals.

In Emerald Hill \$3.5 million was made available to the Victorian Government to acquire an historic group of buildings surrounding the South Melbourne Town Hall to prevent the commercial re-development of the area and allow the rehabilitation of the buildings and the maintenance of a stock of low income housing.

The programs I have mentioned in detail do not exhaust the catalogue of the Department's initiatives, and are all carried out in the framework of the Department's general commitment to co-ordination of urban and regional policies of the three levels of government. We consider that we have made significant steps in this direction, and in generally increasing understanding between State, national and local government. But I would not be naïve enough to say that friction does not occasionally occur. Certainly better ways could be found to implement joint policies. And this is increasingly being recognised by people involved in the business of federal co-ordination.

At the recent Royal Institute of Public Administration conference Mr Graham Inns, Chairman of the Public Service Board of South Australia brought up the question of national planning and co-operation. He said:

Given the present situation, there is a greater need than ever before for overall national planning and co-ordination. The pooling and sharing of resources is vital to national development, and so is the avoidance of waste, overlapping and duplication.

His belief is, that for greater efficiency, the detailed working out of programs should be left to the state administration in consultation with federal counterparts through joint state/federal secretariats. "There is a real need for State and Federal governments to regularise administrative co-operation, perhaps by setting up secretariats to deal specifically with the whole range of State-Federal inter-relationships in a co-ordinated manner and to monitor activities", Mr Inns said.

With the need for different ways of operating in mind, the Minister has this year introduced a new form of legislation into the House of Representatives to help carry out its financial assistance to the States. Mr Inns, would I hope, be gratified that in our present plans to help implement this legislation we have in mind the possible creation of bodies somewhat along the lines he suggests.

Instead of a number of different financial assistance bills covering the programs financed and administered by the Department of Urban and Regional Development, Mr Uren last week introduced one "umbrella" bill, into the House of Representatives. This legislation, if passed, will be a new charter for urban and regional development for the next decade. The legislation, which is short and uncomplicated, can be used to cover all agreements on financial assistance which come under the aegis of the Minister for Urban and Regional Development. It provides that the Minister may, in consultation with a State Minister, approve programs for urban and regional development in a State, and it also provides for agreements between the Australian and State Governments on financial assistance to the State for agreed programs. All such agreements must be tabled.

This legislation will make it easier for State and Federal Governments to work together on agreements on urban and regional development, and partly results from suggestions from the States that such an approach would be helpful.

We are exploring the possibility of reaching umbrella agreements with each State, following the passing of this umbrella legislation — or, more formally, the Urban and Regional Development (Financial Assistance) Bill. Some State officials have already expressed interest in the possibility of negotiating such a single agreement to cover a whole range of urban and regional development programs. Individual umbrella agreements arrived at would be designed to suit the needs of each State. This umbrella-type approach should make it easier to take a total view of our commitment to urban and regional development. It would allow the Australian Government to join State and local authorities more easily in planning and implementing programs with a broad national perspective. An umbrella agreement would provide a flexible framework in which a State

Government and the Australian Government would be able to co-ordinate planning and carry out measures designed to improve urban and regional environments.

To help administer such agreements and to monitor their effectiveness it could be advisable to establish a committee or body of Federal/State officials. Such a body would not be exactly like the one Mr Inns proposed, but would play a prime role in ensuring continuing close co-operation between governments and in ensuring that the different programs were inter-related. I would not see such a body as cutting across standard avenues through which State and Federal financial agreements are presently arranged, such as the Loans Council or the Premiers conference. I would rather see it as being able to provide valuable briefing and some sort of continuity – at least in the area of urban and regional development — to delegate to these bodies, which meet usually only once a year.

We could be moving to a situation then where we have simple broad legislation; a comprehensive agreement with each State picking up all the Department's programs; a Ministerial Council or Committee in which Ministers from the Australian and particular State Government would meet once or twice a year supported by a meeting of officials, in the process of approving programs under the agreements. A further logical step to give a formal legislative authority to these informal co-operative agreements would be through the passage of matching legislation by Australian and State Governments to establish an Urban Programs Bureau with staffing drawn from the different Governments. Such a Bureau would offer the opportunity for a "combined staffs" operation of a kind most truly reflecting the character of urban involvement in Australia.

As I said at the beginning of this lecture, we are all caught up in the problems and responsibilities associated with urban and regional development decisions, and with the effects of these decisions. There is no getting out of it. We must simply find ways to make our involvement work, and to ensure a productive relationship between all levels of government, private enterprise and the community.

To do this we should take a federal view. The States should not be expected to have to meet national needs. What we must try to do jointly is to build institutions which are relevant to modern needs. The legislation and proposed agreements which I have just mentioned are one step on the way to doing this, and it is significant that this Australian Government initiative follows State representations. The Royal Commission into Australian Government Administration will provide a close re-evaluation of present procedures and will certainly mean changes in a number of areas which would affect federal relationships.

Effective institutions are necessary to give life to policies. But in our search for new ways of operating we must not become rigid; we must not so tie everything up in forms and red-tape that the bureaucracy becomes an end and not a means. What is needed is a flexible framework within which we can operate and change with the altering demands of the community. We need institutional structures which can enable our humanity to be expressed in the creation and retention of environments which provide for everything from physical amenities such as housing and transport, to the desire for privacy and for things of peace and beauty. I think we have the visions of what is needed.

With goodwill we can achieve its reality.

