



Aspirations for 2022



Committee
for
Sydney

January 2022



Image: Summer Streets program, City of Sydney.

Are we going to be done with Covid-19 soon? It's impossible to know. But we think it's time to shift our focus to the rebuilding — to everything we need to do to get Sydney moving forward again.

These are our aspirations for the year:

1. Reset the Covid-19 response for the long term
2. Support sectors crushed by Covid to bounce back
3. Take real steps to address housing affordability
4. Build back better in our town centres and CBDs
5. Address the inequalities that were exacerbated by pandemic, with a special focus on Western Sydney
6. Continue the major infrastructure investments that are finally creating real transport options
7. Move net zero from strategy into implementation
8. Safeguard our city against future disasters
9. Reconnect with the world.

1. Reset the Covid-19 response for the long term

As we start this new year, we face a thorny problem. We've seen the huge uptake of vaccination by Australians, and the obvious benefits this has brought.

Some of us are ready to move on with our lives, but some of us are not. It depends on our life circumstances, and also on the different ways we each evaluate risk.

But sooner or later we do need to face the reality of Covid-19 as a permanent, endemic disease.

Paradoxically, given Australia's great success in keeping numbers low for so long, the mindset change may be harder here than other places.

Throughout the pandemic, the Committee has advocated for strong policies to keep the community safe while also remaining as open as possible, focused more than anything else on vaccinations.

On the whole, we think there is a lot to be proud of. Now we need to move into the next stage.

What we want to see:

- Stay the course with a clearly communicated and consistently applied roadmap for reopening and staying open that makes clear when, how and why decisions will be made
- Prioritise keeping schools open, ensuring multi-language health messaging and testing available
- Focus public health measures on attaining high rates of vaccine boosters, at whatever frequency the science suggests
- Move toward an end-goal of people testing when they feel sick, rather than all the time.

2. Support sectors crushed by Covid-19 to bounce back

Government fiscal support means the economy as a whole has come through Covid-19 remarkably well. But several sectors have been truly crushed:

- Universities, which lost their international students
- Tourism, which lost all its international customers
- Events and culture, which suffered repeated lockdowns and fear of spending time inside with others.

Governments have taken the threat to events and cultural organisations seriously, putting in place a range of measures – of particular note, the newly announced Event Saver Fund measures to support major events disrupted by Covid-19 with up to \$10m, as well as an uptick in private philanthropy to arts and culture.

However, there is a real risk that smaller and touring companies, independent producers and others – the bedrock of our cultural sector – may fall between the cracks. The impact from reduced international attendance at events on talent attraction, R&D and reputation can't be overstated. Having faced multiple rounds of cancellations, many organisers will not take the risk again without access to insurance.

While universities are well placed to play a critical role to support government priorities – for example, developing new technology to support reaching net zero emissions, and developing new vaccine technology to fight Covid-19 – the universities have not received adequate support.

The past two years have highlighted longstanding problems of under-funding for universities, both for domestic students and for research, which have been papered over by cross-subsidisation from international students. And while JobKeeper has been available in the hospitality sector, it has been unavailable to universities.

What we want to see:

- Insurance for events disrupted by the pandemic – this remains an essential gap for the broader events sector and should be led at a national level, but a state scheme may be required
- A major increase in research funding, bringing Australia up to the OECD average as a percentage of GDP
- An agreement to fund the overhead costs of research, as other countries do
- Ensure Australia remains a competitive destination for international students (including post study work rights, access to public transport concessions, effective campaigns in market, and consistent and welcoming messaging to students from government).

3. Take real steps to address housing affordability

Home prices rose by 25% from September 2020 to September 2021.

For those who already own their homes, this was probably welcomed. But Sydney's housing costs are driving a wedge between the generations, closing off the option of home ownership for everyone who does not inherit wealth. For those born between 1947 and 1951, 54% owned a home by the time they were 20. For those born between 1987 and 1991, that number had fallen to just 37%.

In many ways, the most urgent problem facing Sydney is the high cost of housing. If we don't address this, we are locking future generations out of their chance at a fair go. This is the great contradiction on Australian housing policy: people say they want affordability, but they also want their home prices to keep going up.

The right answer is not to tank housing prices; it is to put in place the policy settings so that wages rise faster than home prices over a long period. The policy solutions should emphasise helping people to own their own homes, while not privileging housing as an investment class over other types of investments.

What we want to see:

- Increase supply — focused especially into town centres, within walking distance from rail stations and local high streets
- Eliminate stamp duty – to reduce transaction costs on home sales and help people more quickly move into their optimum housing situation
- Reform tax incentives that draw investment into housing as a financial asset – remove tax exemptions for 'losses' made by residential rental properties, and reduce the Capital Gains Discount from 50% to 25% so investments in the real economy will be more attractive and housing can return to its primary purpose of providing a secure place to live
- Extend the National Housing Infrastructure Facility for another \$1 billion over five years – to help increase housing supply by speeding up development that can often be slowed down due to the lengthy and costly process of building critical infrastructure
- Significantly increase the State and Federal investment in social and affordable housing, working toward a goal of 10% of the housing stock.

4. Build back better in our town centres and CBDs

One of the bright spots of life during Covid-19 has been the flourishing of neighbourhood life. People rediscovered their neighbourhood shops and local parks. High streets buzzed. We aspire for Sydney to build on this trend as we build back.

The other side of the coin is people were not in the office precincts. Sydney, Parramatta and other key CBDs have often been deserted, with attendant impacts on countless small businesses like restaurants, cafes, bars and other venues.

No one yet knows how far the remote or distributed work trend will go, and whether that will lead to significant changes in our CBDs long term.

But for both CBDs and local town centres, the goal should be to build back better so that they are more attractive, and more liveable, ensuring they can survive and thrive in the next phase of city life.

What we want to see:

- Widen footpaths, add pedestrian crossings and slow traffic across all of Sydney's town centres and CBDs
- Create a town centre renewal fund to pay for the upgrade of the public realm
- Welcome a diversity of new uses into CBDs, striving to make them places that welcome all different kinds of people
- Use the power of government as an employer to help spread demand in the CBD by having state employees work in the office on Mondays
- Fund cultural institutions to be open at night with an extension of the Culture Up Late program.

5. Address inequalities exacerbated by the pandemic, with a focus on Western Sydney

During the height of the pandemic, restrictions forcing us to stay in our local government areas served as a reminder of the disparities between pockets of Sydney. People in western and south-western Sydney endured the harshest of restrictions, with basketball hoops removed, lights turned off in parks and visible enforcement of rules by Police and Army.

The lockdown also revealed how integral western and south-western Sydney are to the functioning of our city. We realised that those of us lucky enough to be able to work from home were only able to do that because of all the people who continued to work in person – stocking shelves and trucks, making food and delivering it, and generally keeping the city running.

Sydney is no different to other big cities in having these kinds of inequalities and at times simmering tensions within the city. Where you live often determines the services, infrastructure and jobs you have access to. All of this was brought into sharp focus during last year's lockdown.

What we want to see:

- Deploy financial resources like the WestInvest fund for major projects that will materially improve public space, recreation and quality of life in Western Sydney.
- Accelerate the delivery of Metro West, then begin serious work on the next tranche of Metro lines that will connect Western Sydney
- Give local councils the fiscal capacity to provide a high level of public service by removing the low caps on council rates
- Address profound digital divide between Western Sydney and the rest of Sydney
- Adopt a City of Parramatta Act, like the City of Sydney Act, to give it the governance structure that will allow it to live up to its potential.

6. Continue the major infrastructure investments finally creating real transport options

Over the past decade, the most transformative project in Sydney has been the new Metro system. It is starting to reveal a city with a changed geography, where it is possible to quickly and easily get around without a car.

But the lines in the pipeline so far will only be a start.

For Sydney to truly emerge with a world class transport system, we need to keep going to build out a comprehensive network of lines that will get people from anywhere to anywhere.

While the private car remains Sydney's primary mode choice for travel, this will not be sustainable for a city of 12 million people – with the traffic congestion, air pollution, fatalities and injuries that come with so much car use.

We have the better answer emerging before our eyes, but it requires continued focus on investment.

What we want to see:

- Keep going on Metro working toward the goal of every Sydneysider having access to a train or Metro station
- Commit to fast rail between Sydney and Newcastle, and eventually to Wollongong and Canberra
- Respond to the huge growth in active transport by building a comprehensive bicycle network
- Urban design and active transport must address heat load in Western Sydney, where it can get too hot to walk or ride
- Focus Sydney's growth around rail stations so that more people over time enjoy the ease of access and convenience this provides.

7. Move net zero from strategy into implementation

The huge momentum generated in 2021 towards decarbonising our economy has given us a long-awaited window of opportunity for real action on the climate.

Electrifying homes, appliances and vehicles, with rooftop solar and decentralised battery storage (in homes, cars or at community scale), has the potential to reduce the need for massive new energy infrastructure investment, and importantly reduce household energy bills. However, this increasing electrification has and will continue to create increased demand for electricity.

At the same time, the growth in solar PV (invented here in Sydney at UNSW) and battery storage means we are now generating decentralised energy in a way our systems were not designed for. And the advent of consumers as prosumers has changed the power dynamics in the energy market.

If we're to avoid massive new infrastructure investments, we need to shift energy demand out of the evening peak with clearer price signals to consumers, more efficient appliances and increased adoption of heat pump technology to enable hot water and pool pumps to be charged outside peak times.

And we need to ensure Sydney's energy infrastructure is prepared for electrified homes, transport and increasingly decentralised energy generation.

What we want to see:

- A carbon budget for NSW – to ensure commitments being made to achieving net zero by 2050 are actually being met
- Continue the state's 'Californian approach' to leading on climate without waiting for the federal government, moving to electrify everything we can
- Prepare the NSW energy infrastructure to cope with, enable and incentivise the new and emerging technologies for electrification, as well as behaviours to enable growth in demand to avoid the evening peak.

8. Safeguard our city against future disasters

The risk of flooding in Sydney's north-west will continue to increase, regardless of the final decision on Warragamba Dam. The logic of the dam is that it will increase the amount of time residents have to evacuate, but this still leaves property and other assets vulnerable. With rising costs to insure – if insurance is available at all – we are putting the lives and economic security of homeowners at risk across the floodplain.

We need to stop new development in high risk areas, improve evacuation infrastructure for existing residents, and look at how to reduce the exposure of communities to flood risk through strategic planning and buybacks.

\$120 billion worth of NSW Government assets have not been subject to any form of climate risk assessment. A thorough review should consider how key assets will perform in the face of flood, fire and storm (including energy, water, waste and transport assets), as well as building performance in extreme heat, and whether communities and businesses have the redundancy and flexibility to meet their needs in the face of disruption.

While the resilience of existing assets is often overlooked, we need to look further into how we retrofit existing assets that are failing. Whether directly or indirectly, the impact of failure in these assets and infrastructure falls on communities and businesses. The resilience of these assets and critical infrastructure has to be taken seriously.

What we want to see:

- New development stopped in the path of likely floods, with evacuation infrastructure improved for existing residents, and work to reduce the exposure of communities to flood risk through strategic planning and buybacks
- A comprehensive climate risk assessment review for the NSW Government's assets
- A true value for green and blue infrastructure embedded in NSW's investment decisions.

9. Reconnect with the world

Sydneysiders love to travel, we're welcoming of visitors from around the world, and our friends and family are scattered across the globe. We're a global city with globally minded people.

The pandemic has forced us to do something so foreign – to stay within our borders and lock ourselves from the world. This 'Fortress Australia' approach undoubtedly saved lives but it has also severely damaged our reputation internationally. To some, Australia is no longer the welcoming country it used to be.

This is doing untold damage to our identity as a nation and to our economy. We now face a dire skills shortage across many industries that must be addressed.

But opening our borders is only one part of the solution. Along with this, we need to think deeply about how we'd like to be known within our region and further abroad.

We need to do a far better job of telling our story and being clear about what makes Australia and Sydney such a wonderful place to live, work and play.

What we want to see:

- Borders opened with clear, consistent guidelines to ensure travel of all kinds can be carried out without worrying about cancellations and lockdowns
- Return of international students bolstered by efforts to rebuild Australia's reputation in key countries of origin
- Powerful narrative and brand story about Sydney developed and communicated across the region and further abroad, through Destination NSW's Feel New campaign, or a separate Sydney focused campaign.



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