

## **Terms of Reference**

### **Inquiry into Enhancing Victoria's Liveability**

I, John Lenders MP, Treasurer, pursuant to section 4 of the *State Owned Enterprises (State Body — Victorian Competition and Efficiency Commission) Order* (“the Order”), hereby direct the Victorian Competition and Efficiency Commission (“the Commission”) to conduct an inquiry into enhancing Victoria's liveability.

#### **Background**

*The essence of urban entrepreneurialism is to apply innovative thinking to policy planning in a strategic way, based on long-term vision. Such attitude is an essential property not only of competitive private enterprises in the global market, but also of competitive cities in inter-city competition on a global scale. Urban entrepreneurialism should manifest itself in identifying and building up unique local assets, in harnessing “old policy tools” with totally new perspectives, and in mobilising the collective potential of all the actors in the local economy by motivating and empowering them.*

Source: OECD TERRITORIAL REVIEWS: COMPETITIVE CITIES, 2007, p14

Victoria is already one of the most liveable locations in the world, with international surveys ranking Melbourne among the world's top cities in terms of offering the best quality of life. In addition to a strong economy, high quality health and education sectors, booming infrastructure investment and design excellence, Victoria is renowned for its diversity, culture and cohesiveness. The Victorian Government is committed to ensuring that Victoria remains a great place to live, work and raise a family.

Enhancing liveability is important not only from the point of view of the quality of life of existing citizens, but it also impacts on the competitiveness and future prosperity of the State. For example, it is clear that liveability considerations are pivotal to attracting new migrants into the State. Where such migrants are skilled, creative and innovative, this may, in turn, attract high-value industries.

As governments strive to improve liveability, there is a growing recognition of the need to focus on the importance of sustainable development. The concept of ‘sustainable development’ is an evolving, debatable term, with a growing number of definitions, which can involve the balancing of economic, social and environmental policy objectives. In the context of urban development, sustainability has been defined as improving the quality of life in a city – including ecological, cultural, political, institutional, social and economic components – without leaving a burden on future generations. For example, the use of high quality, creative design solutions and modern technologies can help minimise the environmental impacts of new urban developments.

The Commission's inquiry will investigate the links between liveability and the competitiveness of the State, and consider ways in which the Government can best enhance Victoria's status as an attractive, vibrant and inclusive place to live, while ensuring that sustainability issues are taken into account.

The inquiry will inform the development and application of future decisions made by the Victorian Government.

### **Scope of the inquiry**

The Commission will inquire into, and report on, issues related to enhancing the liveability of Victoria. In particular, the Commission is to:

1. explore, using well-established measures of liveability (such as those adopted by the EIU in its international surveys of liveable cities), the link between liveability and enhancing Victoria's competitiveness;
2. examine the efficiency advantages of good planning and community infrastructure, and evaluate the economic costs of poor urban design;
3. discuss whether there are dimensions of liveability that are different in provincial Victoria than in Melbourne;
4. report on the planning, design and implementation of sustainable urban concepts and systems in other jurisdictions – both in Australia and internationally – that are focused on achieving liveability goals, and comment on the potential applicability of such approaches in Victoria;
5. identify opportunities for government action to enhance the liveability of Victoria – while taking into account sustainability issues – and suggest ways of overcoming any challenges faced in realising these opportunities.

While an examination of planning issues will be important to this inquiry, a critique of the Government's *Melbourne 2030* strategy is outside the scope of these terms of reference. Furthermore, the Commission's findings should be made within the current policy framework of other relevant initiatives (such as *Growing Victoria Together* and *Meeting Our Transport Challenges*).

### **Inquiry process**

In undertaking this inquiry, the Commission is to have regard to the objectives and operating principles of the Commission, as set out in section 3 of the Order. The Commission must also conduct the inquiry in accordance with section 4 of the Order.

The Commission is to consult with key interest groups and affected parties, and may hold public hearings. The Commission should also draw on the knowledge and expertise of relevant Victorian Government departments and agencies, including planning authorities (such as VicUrban).

The Commission is to produce a draft report for consultative purposes, and a final report is to be provided to me within twelve months of receipt of this reference. The report should be targeted towards an interested, learned audience, and should be no more than 250 pages long, including appendices.

**JOHN LENDERS MP**  
**Treasurer**