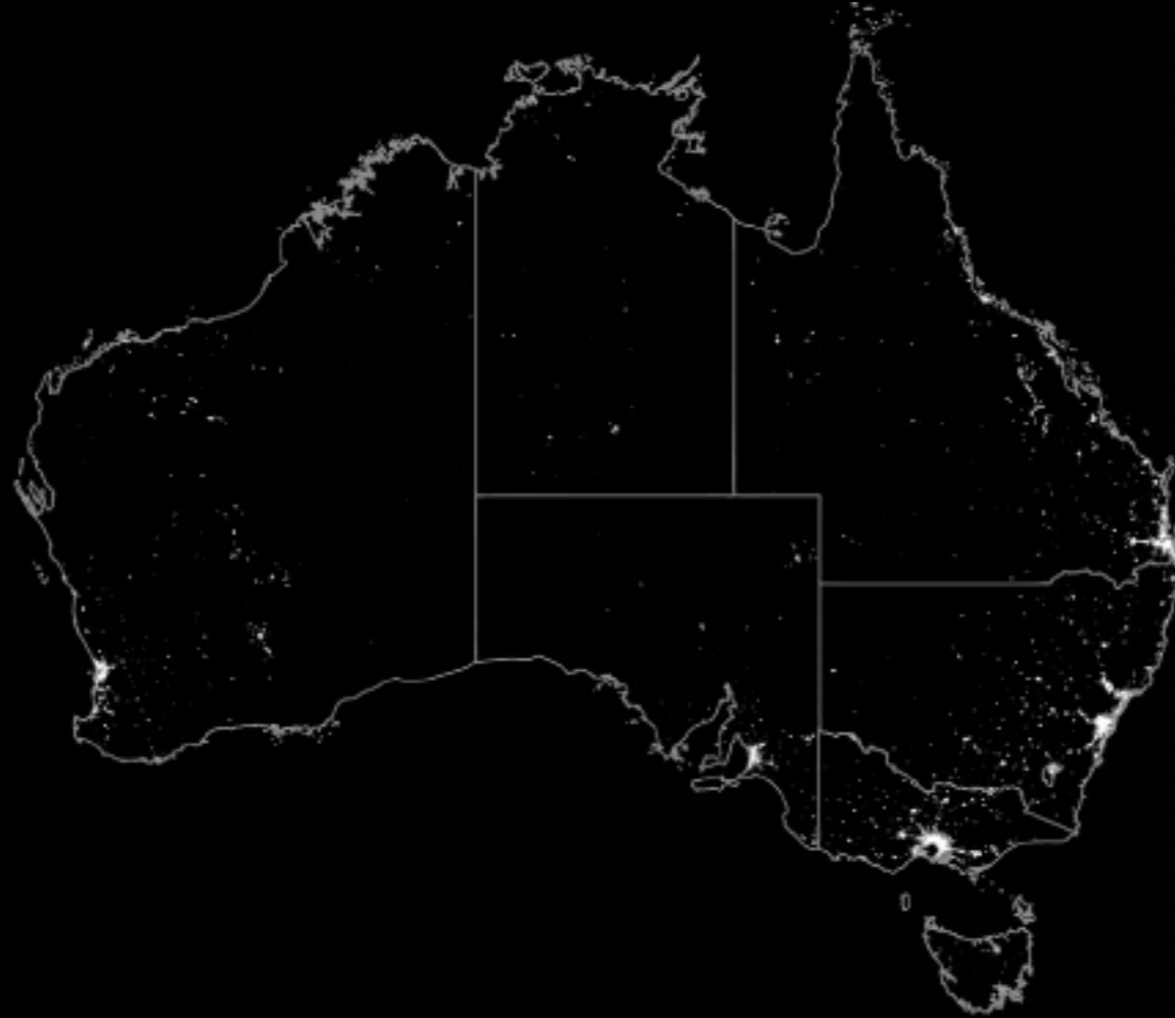


**THANK YOU**

# Why does Perth stand alone?

## Analysing the drivers of urban primacy in Australian states

George Wilkinson, PhD Candidate  
Australian Urban Design Research Centre (AUDRC) &  
UWA Department of Geography and Planning



Supervisors: Professor Fiona Haslam-McKenzie and Dr Julian Bolleter



# Contents

- **Research team**
- Research origins
- Background
- Theory being tested
- Methods & Results
- Discussion & Recommendations



# PhD Team: Supervisors



**Fiona Haslam McKenzie**

- Professor, UWA Department of Geography
- Research areas: Regional Economic Development, Resources, Community Development



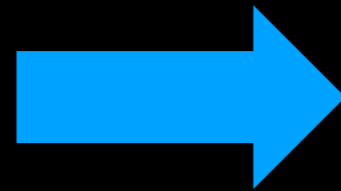
**Julian Bolleter**

- Director, UWA Australian Urban Design Research Centre
- Research areas: Landscape Architecture, Urban Design, Regional Planning, New City Development

# Contents

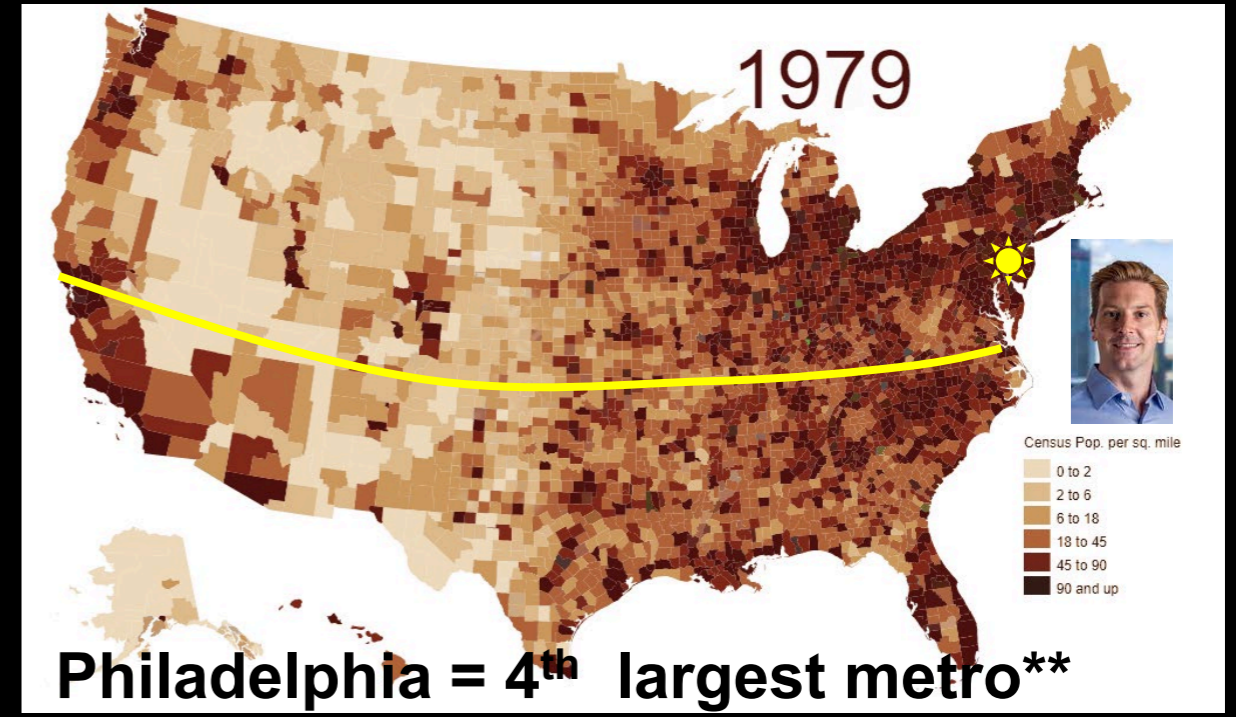
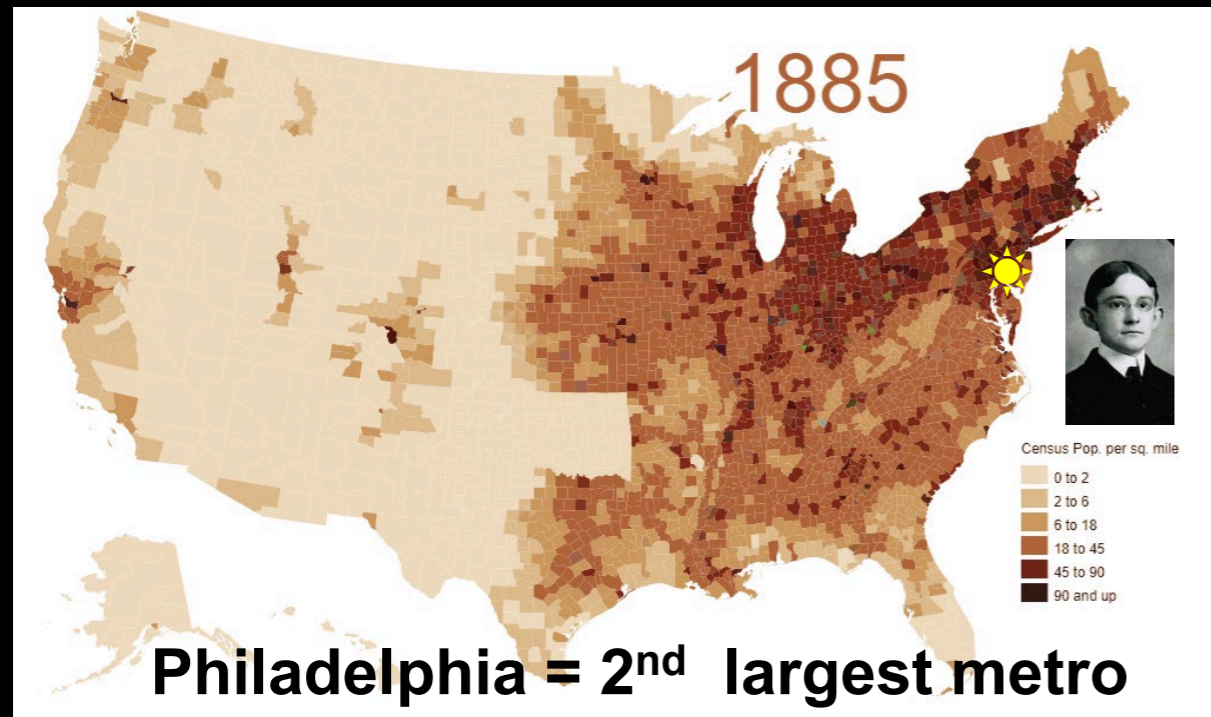
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# Research origins





# Frontiers & disruptive bigness



Los Angeles, 1869  
Population: 5,700\*



Los Angeles, 2020  
Population: 17.5 million


\*According to National Museum of Australia, Perth's population at the time was approximately 17,000

\*\*As per 2020 US Census, now 7<sup>th</sup> largest









**Perth is like a  
young San  
Francisco or Los  
Angeles. It will  
boom**

**Western  
Australia is like  
a young  
California.  
Second cities  
will boom**



- **Perth is like a young San Francisco or Los Angeles, it will boom**



- **Western Australia is like a young California, second cities will boom**



**Only  
Perth  
boomed**

**...why?**



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# Why does Perth stand alone?

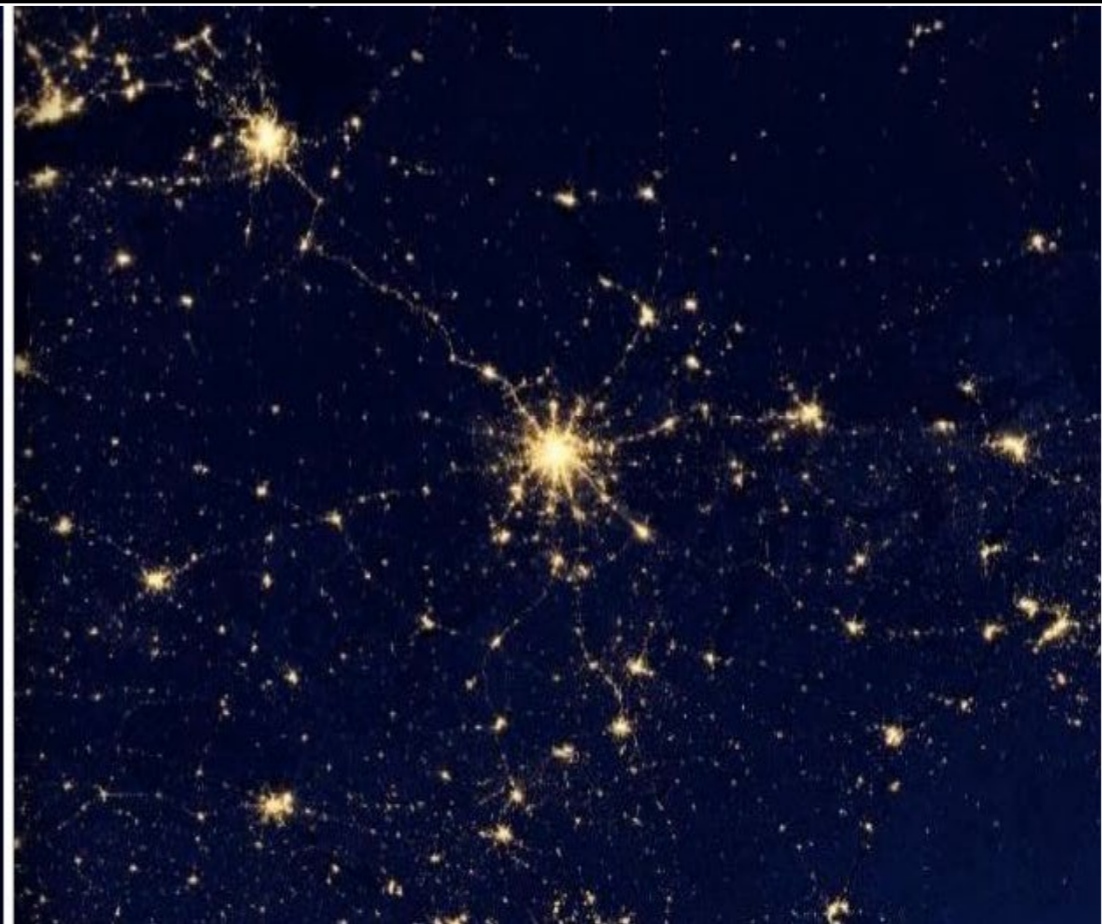
Analysing the drivers of **urban primacy** in Australian states

## Decentralisation



- **Multiple large cities**
- **Settlement indicative of economic productivity and geology**

## Urban Primacy

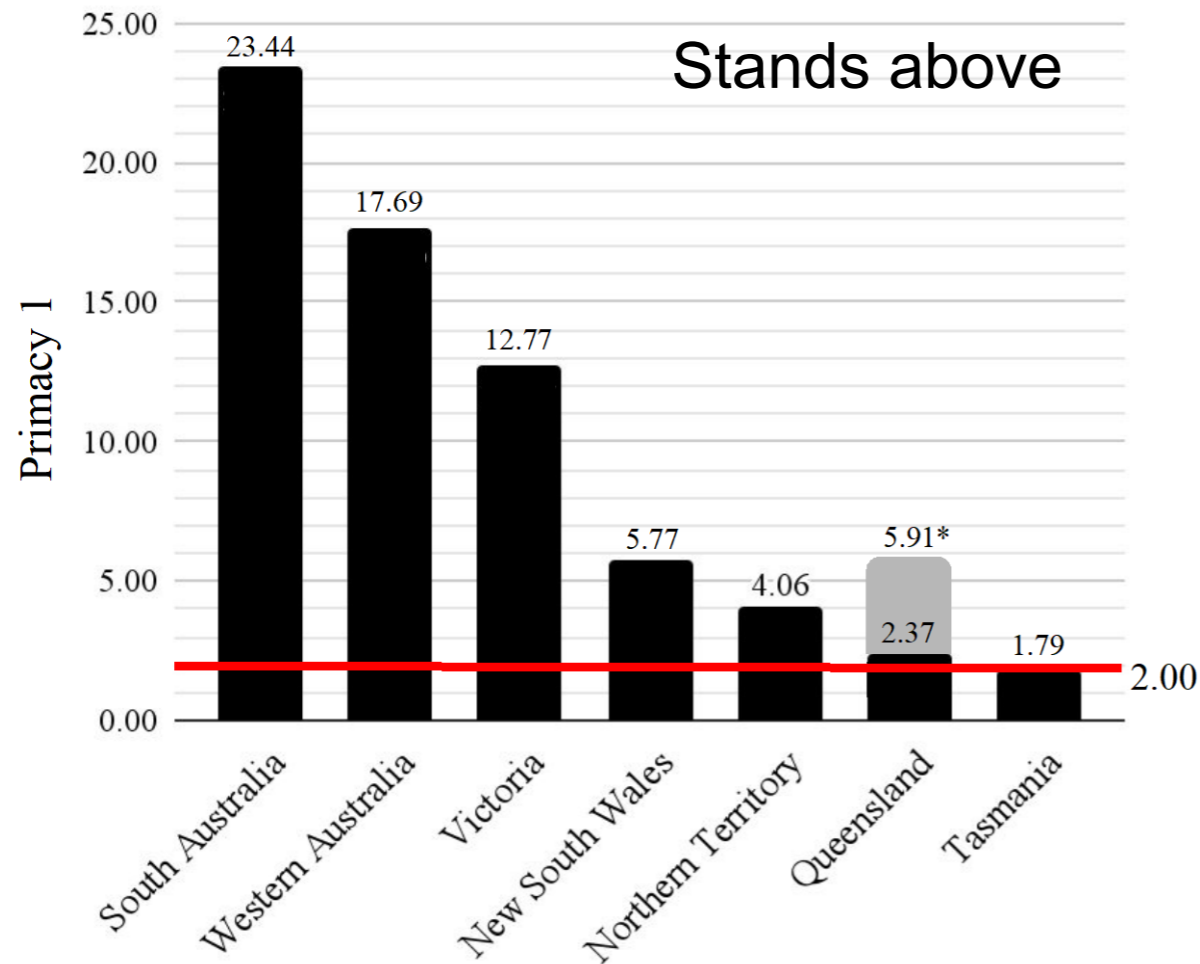


- **One dominant city**
- **Stunted and missing 2nd cities**
- **Settlement indicative of political geography; primate cities are almost always political capitals (or were)**

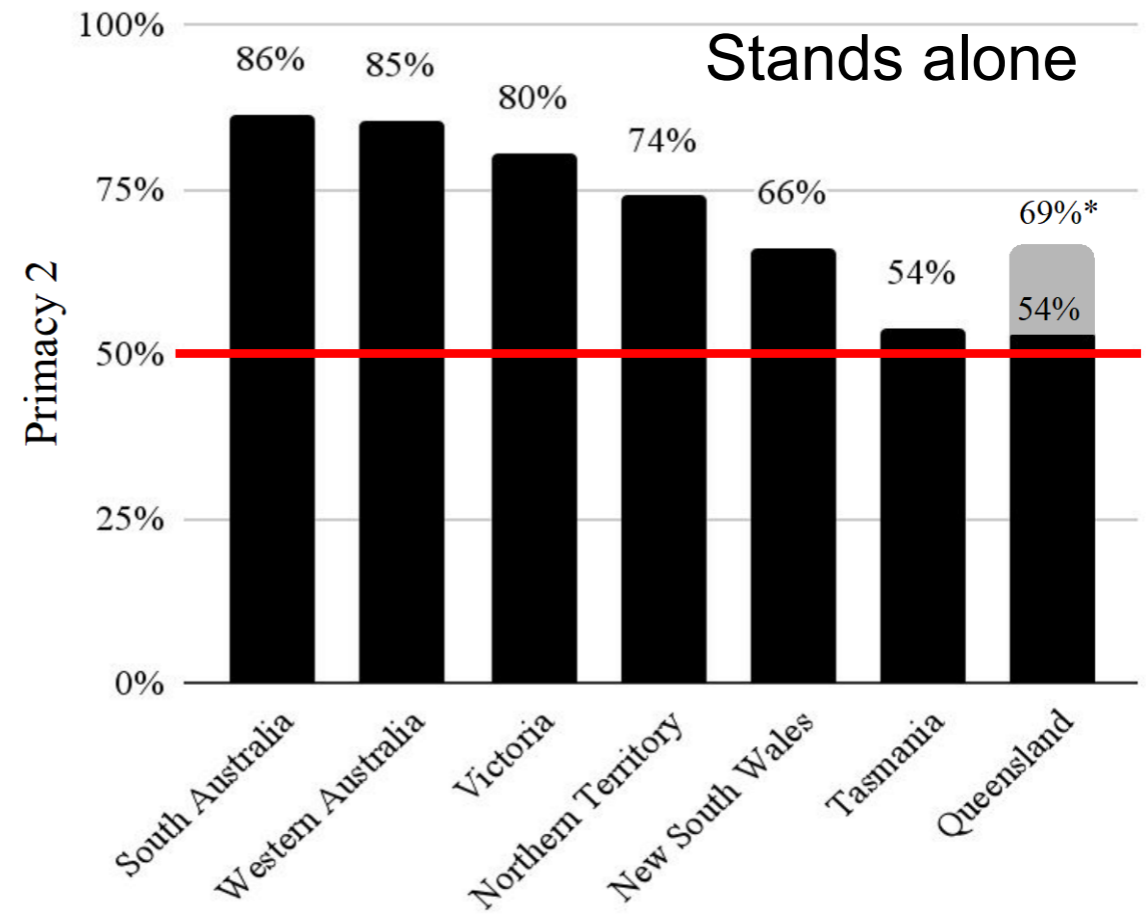
Caption: Same scale NASA satellite photographs of the eastern USA & Canada (left) and western Russia (right)



# Measures of primacy



$$\text{Urban Primacy 1} = \frac{\text{Largest City Population}}{\text{2nd + 3rd Largest City Populations}}$$



$$\text{Urban Primacy 2} = \frac{\text{Largest City Population}}{\text{Total Urban Population}}$$

- Period of analysis: 2016 census data

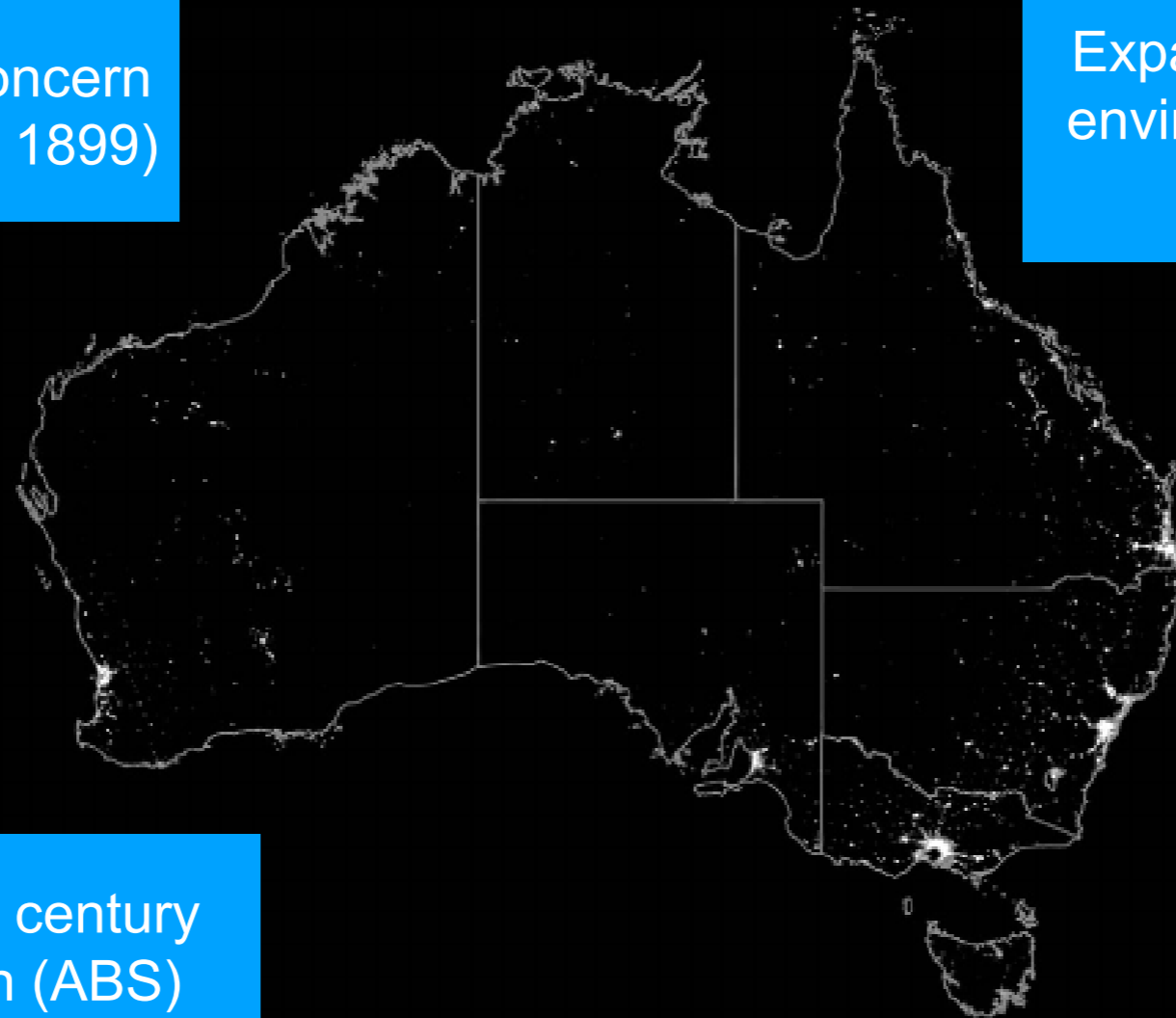
- Red line indicates a minimum measure of 'High' Primacy, 2.0

\*Largest City Population combines Brisbane and Gold Coast, as per Brinkhoff (2022)

# A long history of primacy

Early onset and concern of primacy (Weber 1899)

Expansionism gave way to environmental determinism (Rowland 1974)



Expected 21<sup>st</sup> century intensification (ABS)

Repeated, ongoing federal and state initiatives to decentralise population growth



# Why should we care about decentralisation?

Congestion  
Costs

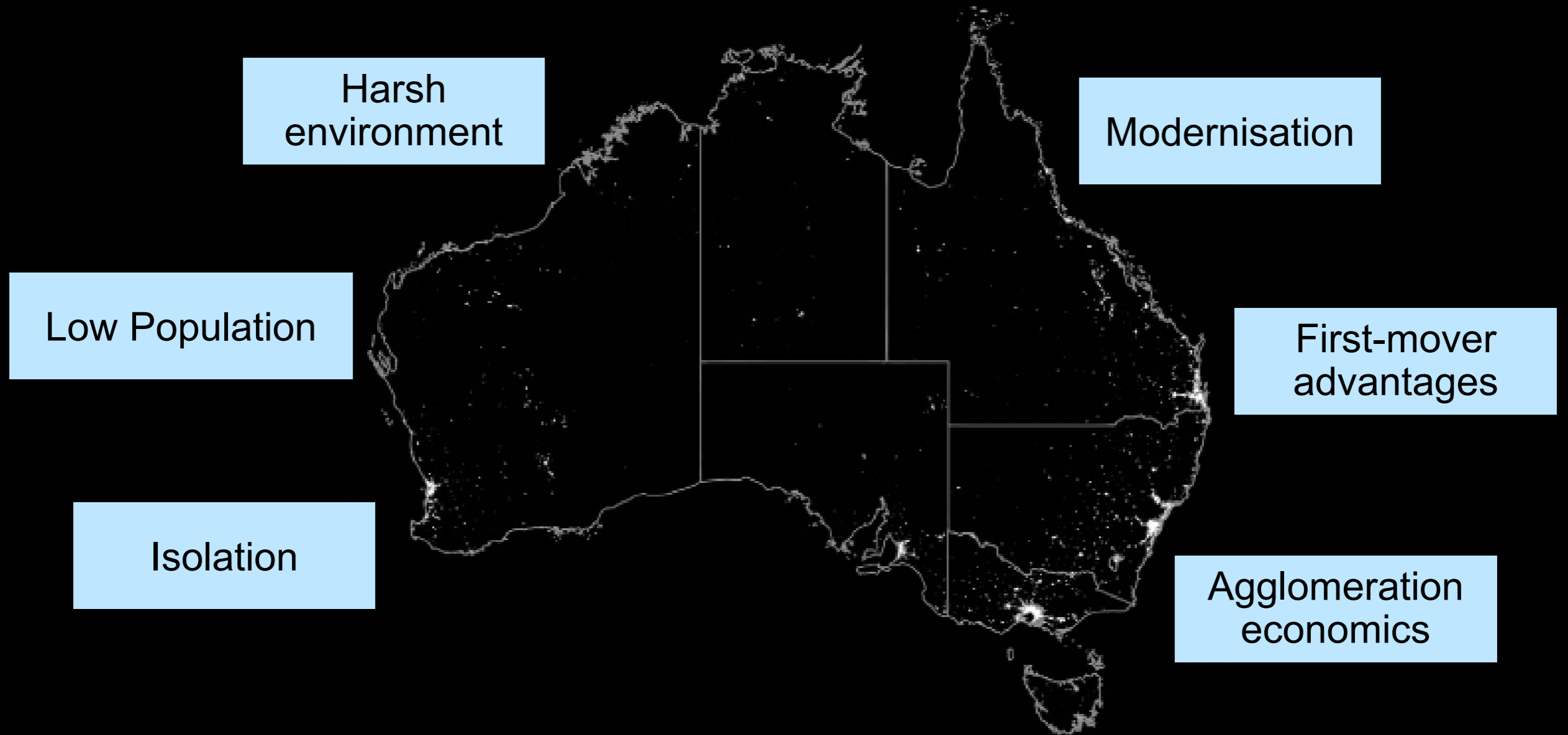
Suppression  
Costs

Regional  
Inequality

Sovereign  
Risk



# *What's driving primacy in states?* ...is not a new question



**Research gap: Theories about Australian primacy do not engage with institutions; whilst internationally primacy is regarded as indicative of specific kinds of political institutions.**

- Research team
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JOURNAL ARTICLE

# Trade and Circuses: Explaining Urban Giants

Get access >

Alberto F. Ades, Edward L. Glaeser

*The Quarterly Journal of Economics*, Volume 110, Issue 1, February 1995, Pages 195–227,

<https://doi.org/10.2307/2118515>

**Published:** 01 February 1995

Seminal paper that draws a causal link between institutions and settlement pattern.



# Institutional Economics: If you build it...



Contrary to neoclassical economics, where markets are singular drivers of the economy, institutional economics emphasize 'the rules of the game,' the foundational, formal and informal constraints on capital accumulation which condition and sculpt development



Building what?

Who's building it?

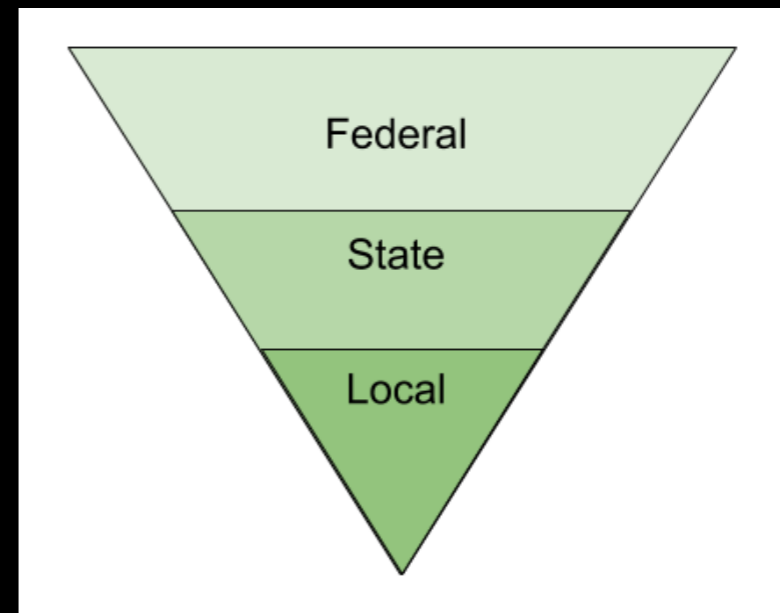
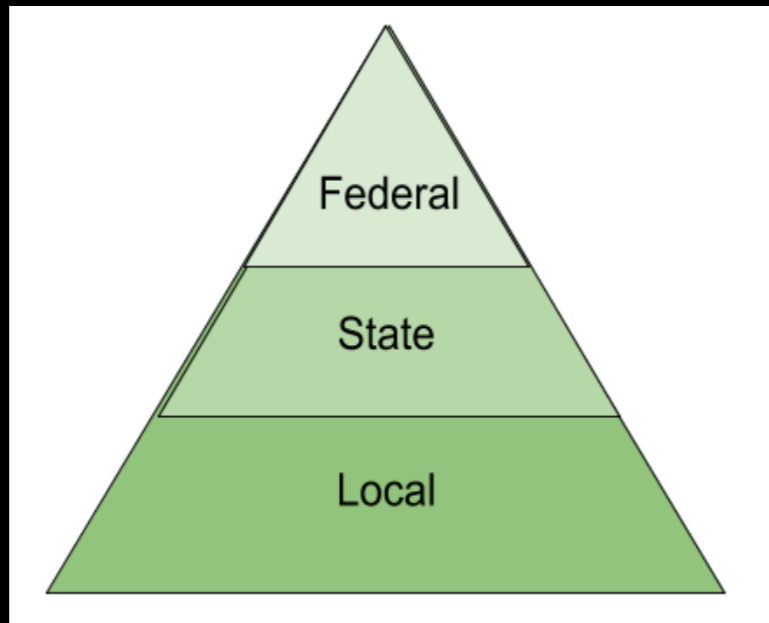
With who's permission?

How often do they build things?

Where do they build?

Where's money from?

# Theoretical Model: Institutional Economics

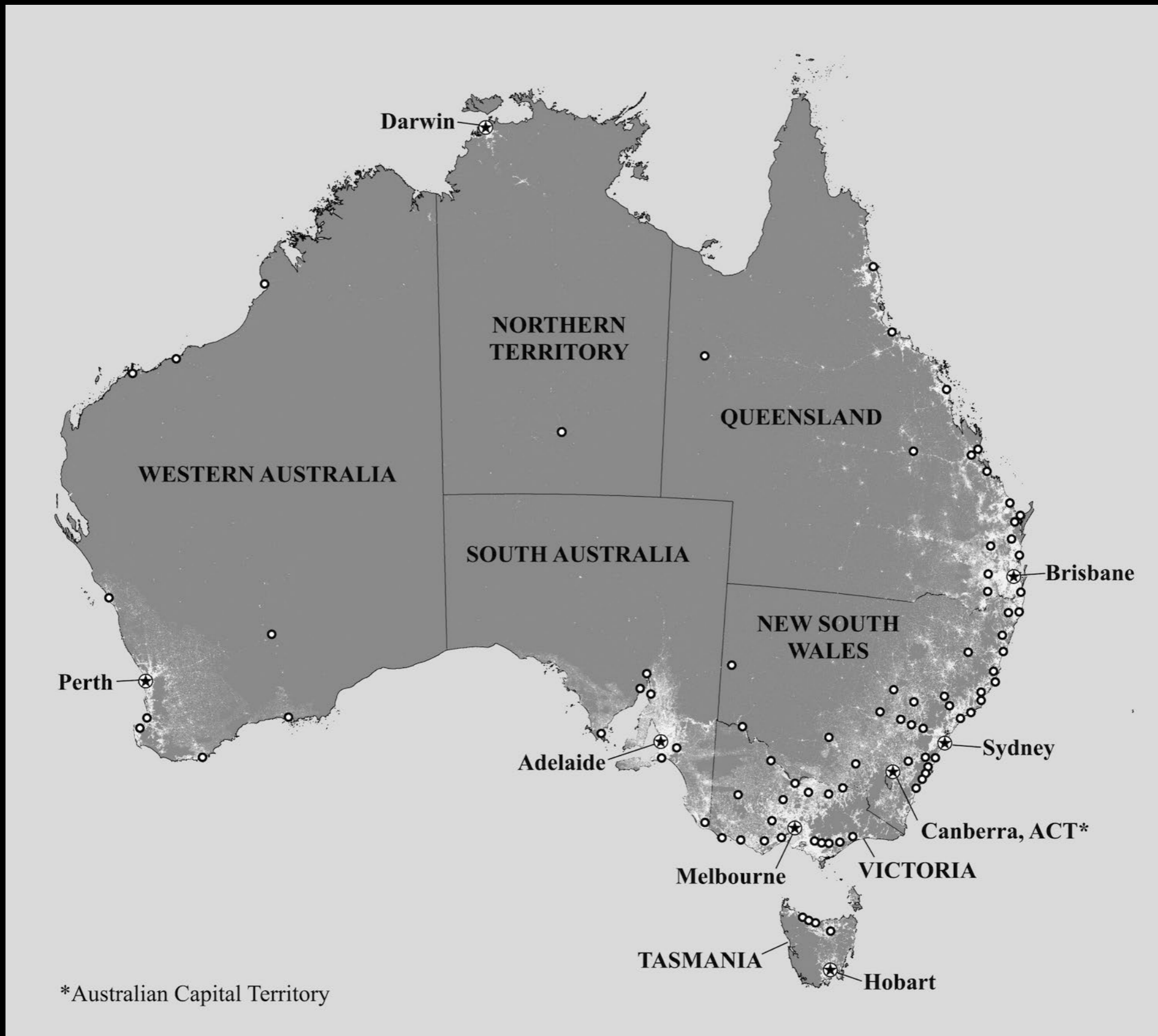


Are institutional explanations of primacy relevant in Australia?



- Research team
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# 1. Quantitative Analysis: Sample



# 1. Quantitative Analysis: Variables

Variables analysed in statistical model of city populations
State capital status
Federal capital status
Latitude
Longitude
Navigable waterway
Rainfall
Temperature
Major seaport
Major airport

From 1911-2016, which factors, if any, correlate with population?  
Method: Multiple linear regression



# 1. Quantitative Analysis: Results

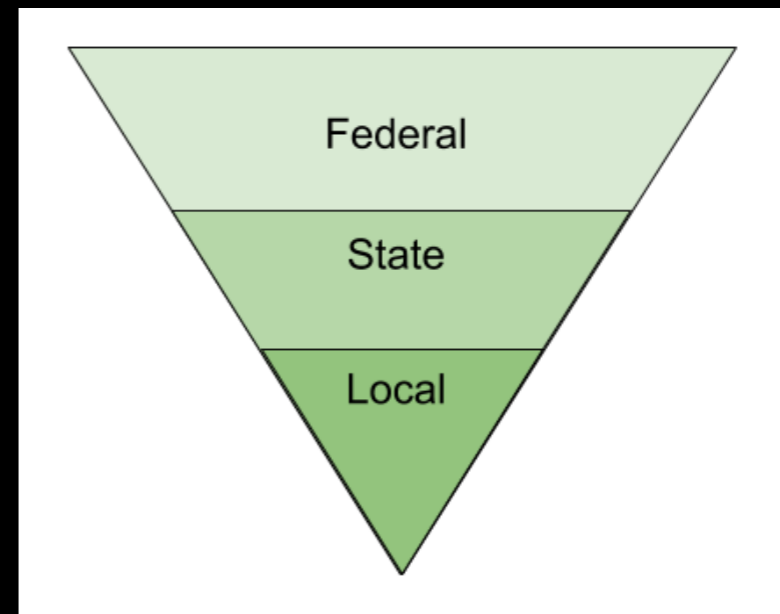
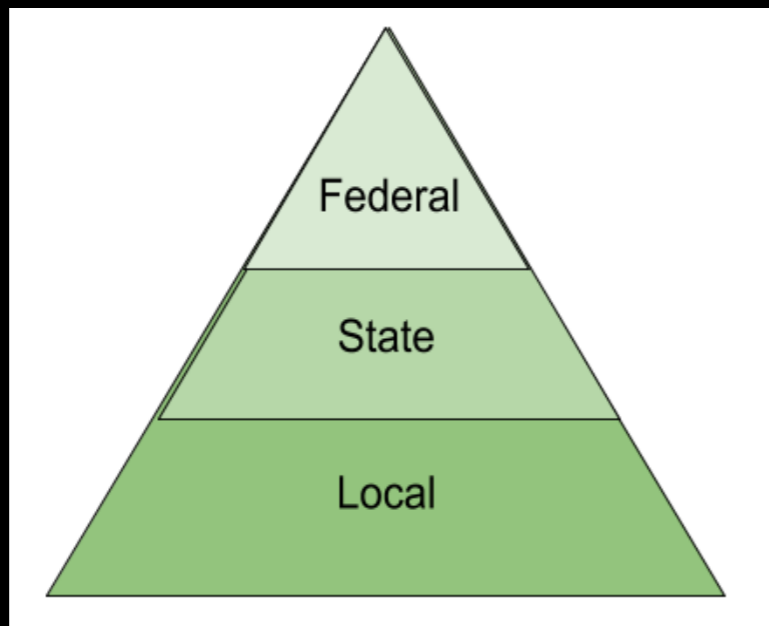
Variables analysed in statistical model of city populations
<b>State capital status</b>
Federal capital status
Latitude
Longitude
Navigable waterway
Rainfall
Temperature
Major seaport
Major airport

**See:** Wilkinson, G., Haslam McKenzie, F., Bolleter, J., Hooper, P. (2023). Political centralization, federalism, and urbanization: Evidence from Australia, *Social Science History*. 47(1).



# 2. Intergovernmental Power

- How are administrative, political and fiscal powers distributed between tiers of government in Australia?



# 2. Intergovernmental Power: Results

## Political Power

Existence & autonomy of local government compromised, volatile.

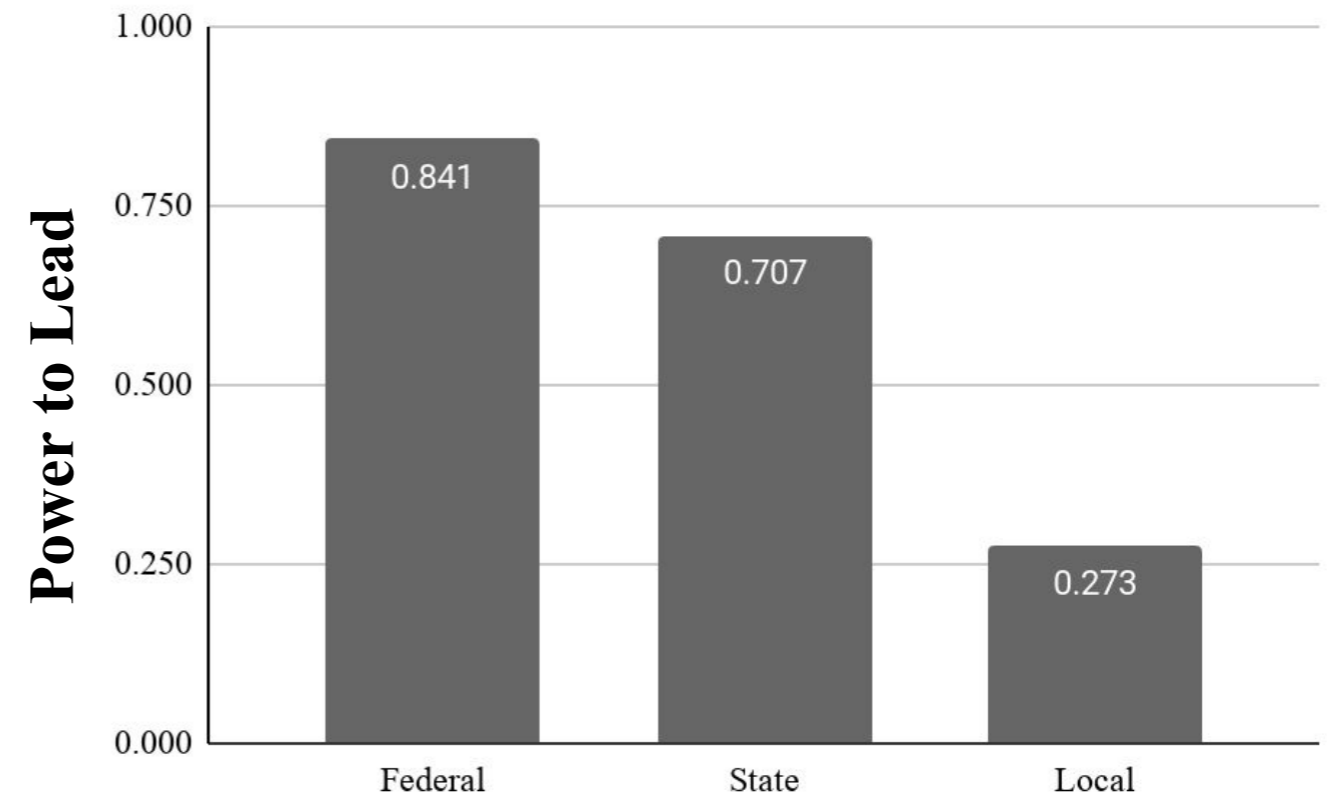
## Fiscal Power

Extreme vertical fiscal imbalance; local & state performance intertwined; little use of debt in local government

## Administrative Power

Decentralised responsibilities, low autonomy in local government

Figure 2: Power to Lead by tier of Australian Government



**See:** Wilkinson, G., Haslam McKenzie, F., Bolleter, J. (2022). Federalism and urban primacy: Political dimensions that influence the city-country divide in Australia. *International Journal of Urban Sciences*, 26 (3).



# 3. Interviews

- 37 semi-structured interviews
  - Why do we have primacy?
  - Are there growth constraints in the regions? If so, what are they?
  - Should we do anything about urban primacy? If so, what? If not, why not?

**See:** Wilkinson, G., Haslam McKenzie, F., Bolleter, J., (2022), Why does Perth stand alone? Interviews with subject matter experts about the drivers of settlement in Western Australia. *Australian Geographer*.

### 3. Interviewees (37) included current and/or former...

Federal Minister

Federal Senator

State Premier

State Minister

State Department CEO

Regional Development Commission CEO

Regional Development Non-profit Organisation CEO

Local Government Mayor/President

Local Government CEO

Local Government Association CEO

Economics/Economic Geography Professor

Federalism Professor

Local Government Professor

Global Consultancy Partner (Infrastructure & Regional Development)

# 3. Interviews

29/37 Attributed primacy to institutional factors

Sub-state government weakness and regional neglect widely invoked

Primacy is costly and a problem. Something should be done

Devolve power, enable bottom-up empowerment, leadership



- Research team
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- **Discussion & Recommendations**

# Project Insights

- Australian case is consistent with international experience, albeit a sub-national version. Institutional theory appears relevant.
- There is no political-institutional foundation from which bottom-up economic development can be independently, capably spearheaded and sustained by local or regional governments
- We cannot speak of regions 'missing out' or 'failing' relative to economic opportunities when they've never had the agency or power to lead/grow.
- Development is beholden to top-down initiatives which rationally prioritize existing settlements and population centres.
- It is not the grants systems that is the problem, it is the system's singularity.

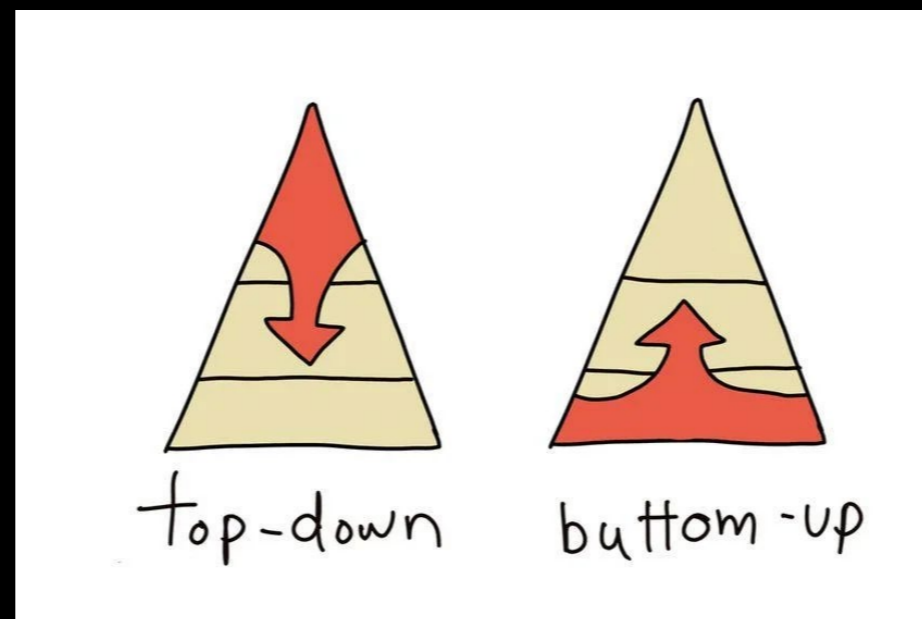
# Recommendations (1/5)

## 1. Transcend the top-down paradigm

**Problem:** Decentralisation ideas and strategies come from top down with little devolution of legally binding powers.

**Old paradigm:** Centralized orchestration of decentralization

**New paradigm:** Centralized enablement and support of bottom-up decentralized economic development





# Recommendations (2/5)

## 2. Broaden local own-source revenues

- **Problem:** LGAs have few own-source revenues.
  - Without measurable elastic income (e.g. sales tax) local governments as organisations lack a critical link between operational and fiscal performance
- **Recommendation:** Create tax room for locally derived, locally distributed sales taxes
  - ‘Earned here, stays here’ – at the local level.

# Recommendations (3/5)

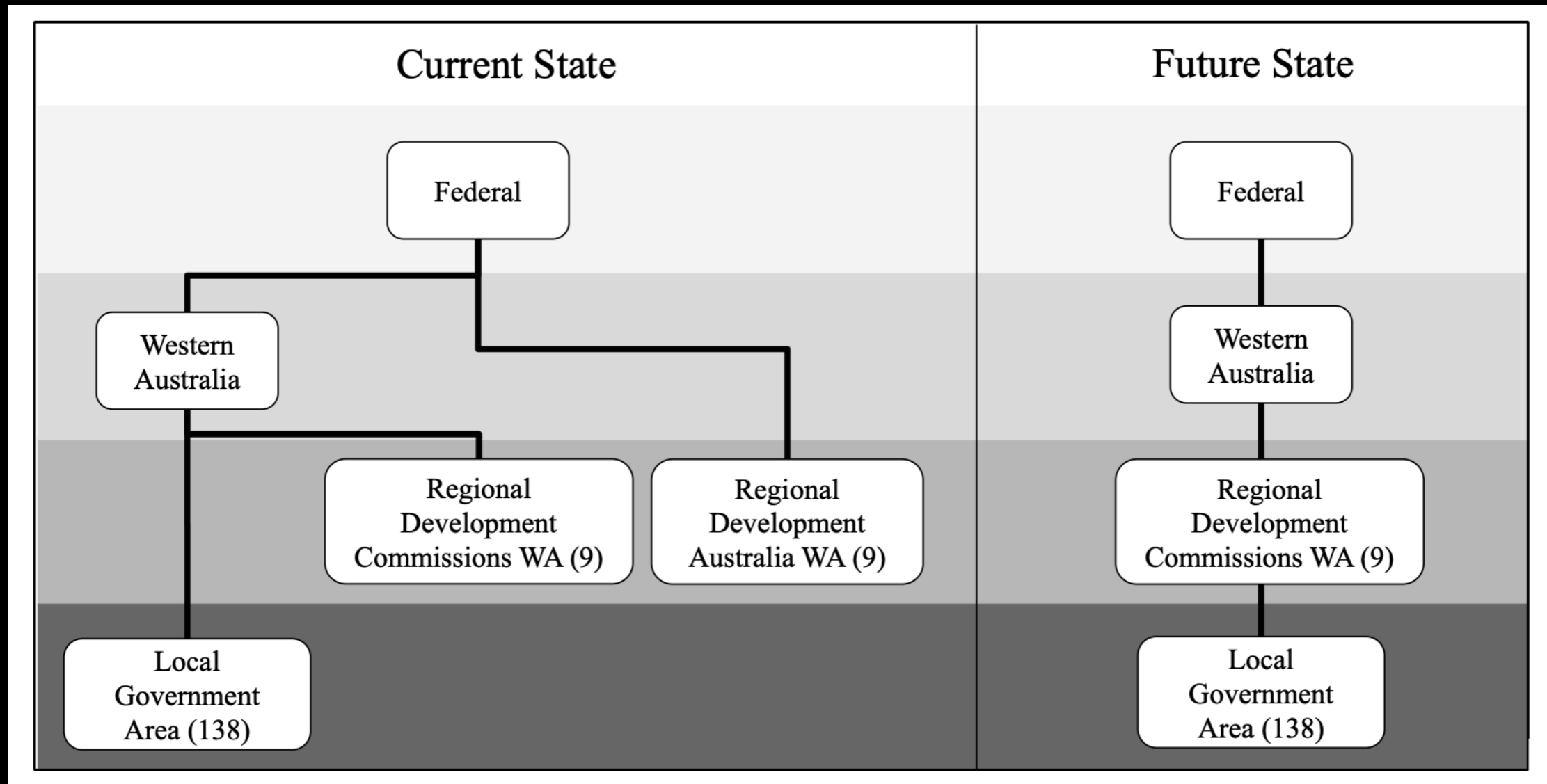
3. Provide a state oversight model option that decouples local and state government balance sheets (e.g., home-rule charters)

- **Problem:** It's rational for states to standardize, micromanage, and restrain local governments given their fiscal and legal entanglement as organisations.
- **Recommendation:** Implement local constitutions for 'qualifying' councils. Build up, formalise local governments as credible, autonomous fiscal entities.



# Recommendations (4/5)

## 4. Reconfigure the sub-state government operating model



# Recommendations (5/5)

## 5. Pick winners and formalise regional capitals

- **Problem:** 'Cities' as political units have compromised existence. They lack bottom-up growth avenues
- **Recommendation:** Formalise and empower what it means to be a 'regional capital'. Capitals within the 3rd tier of government
- 'Non-capital' cities in the USA, Canada actually *are* 'capitals'. They're all county seats





# To learn more:

- [George.wilkinsoniii@research.uwa.edu.au](mailto:George.wilkinsoniii@research.uwa.edu.au)
- On Google Scholar search 'Wilkinson' and 'urban primacy'
  - 3x articles published
  - 2x in press

THANK YOU

