

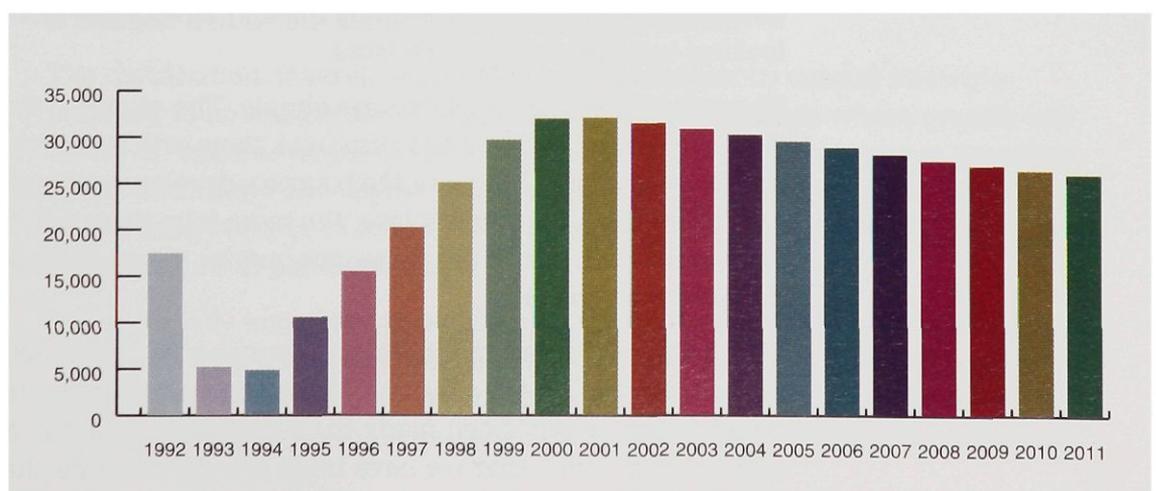
Not only will there be more Melburnians a decade and a half from now; they will also be pursuing a wider range of economic, social and cultural activities. They will be living and working in new ways. For example:

- more people will work in the services sector, more will work part-time, more will work for themselves, more will work from home and more workers will be women
- there will be more reliance on portable individual skills
- ideas will be the most valuable resource in the 21st century economy
- people will take more short holidays and fewer long ones
- households will be smaller
- people will be able to access more services electronically from home without having to visit shops and offices.

Can we respond to the challenges thrown up by these changes and enjoy the benefits of growth while still preserving the qualities that make Melbourne such a special place? We can – but only if we're prepared to start thinking well in advance about the economic, social, cultural and environmental issues likely to affect the future development of the metropolis.

The Government is steadfastly committed to securing Victoria's long-term future. The financial management strategy pursued over the last three years is central to the Government's efforts to renew Victoria and equip it to move confidently into the 21st century.

Figure 1
Projected annual population growth, 1992–2011



Based on existing trends, the growth in Melbourne's population will remain relatively stable.



The stronger the metropolitan economy becomes, the more resources there will be to improve Melbourne's unique way of life. The Pacific Dunlop tyre plant at Somerton.

With measures now in place to address the immediate financial imperative of containing State debt, increased attention must be given to responsibly boosting infrastructure investment and lowering the burden of taxes and charges in order to improve Victoria's competitiveness. To this end, the Government has set itself four longer term Budget objectives:

- to reduce State debt and debt servicing ratios to levels consistent with the restoration of Victoria's AAA credit rating
- to bring Victoria's overall tax effort into closer alignment with the average of the Australian States
- to ensure that Victoria has the infrastructure needed to attract new business and make the economy more productive
- to deliver high-quality services at least cost to the taxpayer.

Living Suburbs will help to create a metropolitan environment in which these goals can be realised, not least by making Melbourne more efficient, outward-looking and attractive to investors.

The reasons for this emphasis are simple. The stronger the metropolitan economy becomes, the more resources there will be to improve Melbourne's unique way of life. The more Melbourne's development is geared to the demands of the international marketplace, the more jobs there will be – not just in Melbourne, but across the State; not just for the present generation, but for generations to come.

Melbourne owes its livability to a century and a half of economic success. The metropolis has always welcomed new approaches, new investment and new blood. It has always been ready to do business. And it is by doing business – and doing it well – that we have been able to generate the public and private wealth needed to build a great city. Doing more business – creating more wealth – will enable us to make a great city even better.