Direction 5
Create a more functional city by better managing Melbourne's infrastructure and urban development

Melbourne families come in many different forms, but they are generally smaller than they were a generation ago. There are more older people too. The needs of all Melburnians - from newborn babes to senior citizens - must be provided for.

One of the major challenges facing Melburnians is how to meet the needs of different people living in different parts of the metropolis. The Victorian Government's aim is to ensure that services are provided to those who need them at a reasonable cost to the community.

Changing demographic and mobility patterns are having a major impact on Melbourne's development (see Figures 8–11). The population is ageing and half of Victoria's households are now made up of only one or two people, generating demand for a greater diversity of housing across the metropolitan area. Physical and social infrastructure in inner and middle ring suburbs is underutilised as a result of population declines over many years.

Meanwhile, new development demands are emerging on the urban fringe, where younger people predominate. Many areas within commuting distance of Melbourne, coastal and scenic resort areas, regional centres and richer farming areas are experiencing significant population growth. This is projected to continue.

There is twenty years' supply of land in Melbourne's growth areas. Rather than identifying additional areas for development, the Government will better plan areas already experiencing and designated for growth. Established areas will be regenerated to make more effective use of existing infrastructure and reduce the need for new services at the fringe.
Between 1991 and 2001, most population growth is forecast to occur on the fringes of Melbourne, with continuing but slower population losses in the middle suburbs. The redevelopment of inner and middle suburban sites is returning population to these areas, but not fast enough to counteract population losses caused by the continuing decline in the average number of people occupying each dwelling.

Between 2001 and 2011, it is forecast that middle suburban population losses will be more moderate than in preceding years, mainly because the decline in average household size won't be so great. In the inner suburbs, the redevelopment of underutilised sites will lead to population increases. Growth will continue in the outer suburbs.
Figure 10
Population change for people aged 70 years and over, 1991-2011

Melbourne’s population is ageing, particularly in the middle and outer suburbs.

Figure 11
Population change for people aged 0-14 years, 1991-2011

The greatest concentration of young people is – and increasingly will be – in the outer suburbs.