

## WORKING CAPITAL

As a certain politician recently remarked –

***“If you've got a good job and it pays good money and you have security in relation to that job, then you can go to the bank and you can borrow money and that's readily affordable.”*** Joe Hockey

The relationship of jobs and affordable housing is a critical issue as Sydney continues to grow. Troy Daly of UrbanGrowth is one of many who have identified the growing challenge for households to buy property close to workplace, particularly in inner urban areas – and this has a direct impact on the **social capital** I covered in the July TVO.

Ross Gittins (SMH 8/7/15) has also reinforced the "social capital" issue, and how this should be a resource where mutual support, reciprocity and trust are part of local social networks and their ability to manage the life/work balance. As Gittins said *“There's plenty of research showing these things are strongly linked to the wellbeing of individuals and communities”*. A recent update of Bureau of Statistics 'general social survey' (from 2002 base) revealed that our social capital is not measuring up to expectations, and a major deficiency is what I would term our **working capital**.

In another SMH article (13/7/15) on essential workers leaving Sydney because of the housing affordability crisis, Andrew McNulty of Link Housing stated *“Home ownership matters. How do we expect to keep our best and brightest? Our nurses, firefighters, policemen and teachers?”* As in several European countries, new inner urban development should include provision of some social housing, low-cost rental or affordable housing, and perhaps some intermediate accommodation that could suit retirees on limited pensions. More inclusive unit mix can also work for connection of neighbours and communities, creating collaborative working opportunities that can cross age, cultural and social barriers, shifting from traditional jobs to more task and project related employment in which different workplace relationships can emerge.

Transformation of traditional jobs in the digital and borderless economies is a further challenge to the urban workplace. In both the USA and Europe the emergence of 'innovation districts' has shown they can be a new paradigm in economy-shaping, place-making and network building. The Brookings Institution in USA published a white paper on “The Rise of Innovation Districts” showing they can be **working capital** generators, fostering networks of small business, inventors, creatives and researchers to produce and distribute outside the traditional big business model. This in stark contrast to the likes of business parks, accessible only by car, that diminish the scope for integrating work, housing, and recreation essential to quality of life and that precious social capital.

There is a growing preference for young talented workers to congregate in vibrant inner urban neighbourhoods with choices in housing, transportation, and amenities that makes them increasingly attractive. Such communities have a *critical mass* of economic, physical, and networking assets that can be catalysts for denser and dynamic communities, and vibrant “places”- what the Partnership for Public Spaces describes as *“...environments in which people have invested meaning over time. A place has its own history—a unique cultural and social identity that is defined by the way it is used and the people who use it.”*

Recent years have seen the increase of income inequality and social mobility as issues of national and urban significance. In the Sydney context, the Department of Planning and Infrastructure had promoted Urban Activation Precincts which many local councils took exception to, and these are now more loosely termed Priority Precincts. While these are intended to be the equivalent of innovation districts, a more astute political environment might see them as part of the *“critical opportunity to nurture our cities, increase productivity and consequently the success of our nation in a globally competitive market”* that Ken Maher (President of ASBEC) has just highlighted in a Fifth Estate article.

Where strong activated places evolve they can keep residents and workers in the area after hours, extending the opportunities for collaboration, more local employment and the local economy. The emergence of organisations such as the Slow School of Business to help transform business education with more mindful and ethical direction, is further evidence of how culturally and educationally enriched environments can strengthen human interaction, knowledge, and motivation.

Innovation districts can seed **working capital** in expanding employment and educational opportunities. They can boost local growth for denser residential and employment networks, served by proximity to public transport and local infrastructure improvements that are critical to the regeneration of inner urban areas. Could this be a suitable aim for a more sustainable Lane Cove village as it evolves to meet the challenges of Fit for the Future?

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18-7-15