Canberra’s Competitiveness in the National Context

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Background and Purpose

A national urban policy for a productive, sustainable and liveable future...
Urban Competitiveness: Concept and Approach


- The proposition of territorial competitiveness was first applied to nations (Porter, 1990), and then extended to incorporate cities (Kresl, 1995; Kresl & Singh, 1994; Porter, 1995).

- Cities do not compete with one another: they are the locus for firms and enterprises which compete (Krugman, 1996a, 1996b).

- Cities and regions do compete, but not in the same way as commercial enterprises which compete for profit maximisation; cities and regions compete in more complex ways for more complex goals, such as investment, population, talents, funding for public infrastructure, and events like the Olympic Games (Porter, 1995, 1996).

- Though cities do not compete as firms do, some cities provide better environments than other cities for firms to do business (Boddy & Parkinson, 2004).
A city’s competitiveness is related to its mix of attributes for business operation (Begg, 1999).

Urban or regional competitiveness is essentially about economic competitiveness, and is measured by economic success (Boddy & Parkinson, 2004; Budd & Hirmis, 2004; Kresl, 1995; Kresl & Singh, 1994, 1999, 2012; Rogerson, 1999; Turok, 2004).

An explanatory approach: ‘outcomes’ and ‘inputs’ of urban competitiveness, in which the outcomes are the ‘indicators’ of urban competitiveness (e.g. GDP, employment, income, etc.) while the input factors are identified as the ‘determinants’ of urban competitiveness (e.g. productivity, innovation and infrastructure) (Begg, 1999; Greene, et al., 2007; Jiang & Shen, 2010).

Importance of incorporating non-economic dimensions into the conceptualisation and methodological approach of urban competitiveness, such as quality of life (Begg, 1999; Rogerson, 1999) or liveability (Ling & Yuen, 2010), urban governance (Shen, 2004), urban amenities (Florida, 2002), social cohesion (Ranci, 2011), and environmental sustainability (Bulkeley & Betsill, 2005; Petrella, 2000).

An integrative approach to urban competitiveness to include economic, social and environmental dimensions (Jiang & Shen, 2010; Ng & Hills, 2003; Shen, 2004).
Methods

An explanatory and integrative approach:

Urban competitiveness = \(\% \Delta \) employment + \(\% \Delta \) population + \(\% \Delta \) income

Adapted from (Kresl & Singh, 2012):

\[
I_i = \beta_0 + \beta_1 P_i + \beta_2 S_i + \beta_3 L_i + e_i
\]

Where \(I_i\) is the urban competitiveness index of city \(i\) \((i = 1 \text{ to } 18)\). Accordingly, \(P_i\) is the vector of city \(i\)'s productivity, \(S_i\) is sustainability measure, \(L_i\) is liveability measure, \(C_i\) is a dichotomous variable of capital city or non-capital city (it is assumed that a city’s status of being capital city or non-capital city impacts its performance in competitiveness), \(\beta_0\) to \(\beta_4\) are regression coefficients, and \(e_i\) is the error term.
Australian Major Cities

Populations:
- more than 4 million
- 1 - 4 million
- 0.2 - 1 million
- less than 0.2 million

Dimensions & Indicators
Results

The bar chart illustrates the Urban Competitiveness Index for various cities, categorized by population size:
- More than 4 million population
- 1 - 4 million population
- 0.2 - 1 million population
- Less than 0.2 million population
Canberra-Queanbeyan’s population growth between 2006 and 2011 (9.8%) was the 9th fastest rate of Australia’s 18 major cities.
Canberra-Queanbeyan’s employment growth between 2006 and 2011 (10.7%) was the 4th fastest rate of Australia’s 18 major cities.
Canberra-Queanbeyan (8.2%) had the highest proportional growth in people earning a high income of more than $104,000 a year between 2006 and 2011.
Productivity
Canberra – Queanbeyan had the second highest proportion of people in employment per head of population (70.7%), of Australia’s 18 major cities.
Canberra-Queanbeyan had the highest share of people working in research and innovation related industries (5.9%).
Sustainability
Canberra – Queanbeyan ranked 7th of Australia’s 18 major cities in the use of public and active transport (22.5%). Adelaide was the only state or territory capital with a lower usage.
Canberra – Queanbeyan had the 7th largest ecological footprint of Australia’s major cities at 6.59 hectares per person per year. The ecological footprint was calculated by the Australian Conservation Foundation to show the amount of land and resources therein required to sustain an average individual resident for a year. Melbourne and Hobart were the only state or territory capitals with a smaller footprint.
Liveability
Canberra – Queanbeyan was the major Australian city with the highest proportion of homes paying off a mortgage of more than $2,999 per month (15.2%).
Canberra – Queanbeyan was the major Australian city with the highest proportion of residents who took part in volunteer work or activities (16.8%).
Discussion

Where should Canberra be situated in the Australian urban landscape?

Smart city?
Green city?
Liveable city?
Further Research

How does Canberra’s performance in the dimensions of productivity, sustainability, and liveability contribute to its competitiveness in the national context, and in the global context?