



Is working from anywhere driving a new sea/tree change for millennials?

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Motivated by the ability to work from anywhere, stories of young people leaving the CBD for the regions are everywhere. What does this mean, and how can regional places seek to capture the benefits?



Introduction

One of the first things you learn in geography is a long-established way of looking at counter-urbanisation – namely ‘push’ factors away from cities, and ‘pull’ factors towards regions. The ‘pull’ of regional places is generally associated with relative affordability, closeness to nature and natural amenity, better quality of life and work-life balance, and a sense of community.

If some workers can do their job from anywhere, as we’ve seen during COVID-19, living in regional centres has an even greater appeal.

Social distancing necessitated by COVID-19 has led to a forced exodus of workers from the CBD in the short term. This time away has invited a rethink for firms and workers, especially those in the knowledge economy. A recent Greater Sydney Commission report¹ found 47 percent of Greater Sydney’s employees can work from home. There is a profound shift in worker preferences – commentary is growing that people do not want to work from an office five days a week.²

Not having to live within commuting distance to Sydney for work is also making young people rethink where they want to live. In addition, many of the attractive features of inner city life – live events, nightlife, eating out – will be disrupted and downscaled for the immediate future. Over the last six months, media testimonials from young people who have left the CBD for the regions have become commonplace³.

So, driven by the ability to ‘work from anywhere’, are we witnessing a new kind of sea/tree change for millennials?

The working from anywhere sea/tree change

Regional centres in New South Wales have long been a setting for making a ‘seachange’ or a ‘treechange’. Places of high natural amenity outside of Sydney’s metropolitan region attract retirees and young families to the coastline and the rural-urban fringe. I have previously published research on the growing suburbanisation of the New South Wales coastline – motivated in the main by relative affordability to Greater Sydney.⁴

A recent Regional Australia Institute report revealed top Local Government Areas for millennials in New South Wales over the last Census period (2011-2016) were Newcastle, Wollongong, Lake Macquarie, and Maitland.⁵ There has always been a flow of people in their 30s out of Sydney, but the ability to work from anywhere has the potential to supercharge these young people movement trends. The question is, has the pandemic brought these moves forward to younger ages, and has it increased the out moves compared to what we’ve seen before?

There’s little data on whether we are seeing new patterns yet, but the booming popularity of real estate listings in centres outside of Sydney’s CBD indicates changes are taking place. Rental properties are in high demand in places within commuting distance to the CBD: rental vacancies in the Central Coast were 0.7% in August 2020.⁶ Real estate listings have also been very popular in the Central West, including Orange and Lithgow.

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What does this mean for place?

In the immediate term, local economies outside of the Sydney and Parramatta CBDs have seen a distributed benefit. Not everyone can work from home, but the decentralisation of workers to suburbs and regional centres has multiplier benefits for local economies that support the shift to working from home with localised activity.⁷

There is a significant data gap, however, for understanding localised shifts that might emerge in response to COVID-19. Traditional data sources won't give us information for some time. The next local level population estimates to June 2020 won't be released until next year. The 2021 Census in August will capture information on where people are living on Census night compared to one and five years ago.

In the interim, we need to monitor other data sources to assess how regional places may be changing – and there are some key issues to keep an eye on. For example, these movements are placing stress on regional housing markets, with lower vacancy rates for rental properties, and prices being pushed up due to concentrated market interest. We need to monitor if this is something short-term or a more permanent shift.

Knowledge workers are taking advantage of the flexibility to work from anywhere but infrastructure is needed to support this shift, including good internet connections, access to amenity and meeting places, and transport options for when meetings have to take place.

Without this infrastructure, existing problems could become more urgent. Pre-COVID restrictions, the Central Coast had up to 44,000 people commuting out of the LGA every day for work.⁸ The existing commuting challenge will only get worse if Coast workers are not properly supported to work from home.

Recommendations for regional centres

Whether this is a short-term or long-term shift remains to be seen, but the time is now to think about how regional centres can capture the benefits of young people on the move.

Creating the conditions to work from anywhere: While people can work from home, they will also need places to meet and collaborate. We can consider how existing assets can play a role in supporting this (including libraries and public spaces as 'hubs'). Digital connectivity and the role of a reliable NBN service will be key.



Housing: People are primarily attracted to the regions because of housing affordability and choice; to remain an attractive option regional housing supply will need to keep pace with new interest. Housing supply will need to respond to new conditions – people working from home may need to allow additional space for a home office. These market-led changes are happening while councils are preparing housing strategies. These strategies need to be mindful of this changing landscape, whilst responding to the needs that were in place pre-COVID.

Place activation: Public spaces are firmly on the political and policy agenda, and the time is now for councils to consider activating existing spaces and streetscapes to assist in creating vibrant and exciting places. Maximising and celebrating the unique elements of place will help to give young people reasons to play – and stay.

Collection of real-time/near-time data: We need to monitor a range of data as early indicators of changes in internal migration trends. This could include real estate data, water usage, transport data, Google search data, and/or administrative data that includes change of address information.

Advocacy: As attention turns away from the CBD, the regions are in the spotlight. This is an opportunity to define and broadcast local challenges and opportunities that can be

improved through State and Federal partnering and collaborating. Advocacy can help provide support for enabling infrastructure and services – digital connectivity is central to allowing places to thrive. This opportunity for advocacy is increased by the review of the State Government's Regional Plans in 2021. ■

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Endnotes

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3. For example, see: O'Sullivan, M. "'It costs a bloody fortune': Why Sydney's young people are headed for the exit', Sydney Morning Herald, 12th October 2020.
4. Gillon C & Gibbs L 2019, 'Selling surf and turf: Thrown-togetherness and real estate advertising on the suburbanising east Australian coastline', Social and Cultural Geography, vol. 19, no. 8, pp. 1006-1027.
5. Regional Australia Institute (2020) The Big Movers: Understanding Population Mobility in Regional Australia, Canberra, Regional Australia Institute.
6. Bell, M 'Central Coast rental vacancy rates down to 0.7 per cent as Sydneysiders move in droves', The Daily Telegraph, 25th September 2020.
7. Astrolabe Group 2020, Jobs and Commuting in Outer Growth Suburbs: A report for the National Growth Areas Alliance, Sydney, Astrolabe Group.
8. Urbis 2020, Social Impact Analysis of Out-commuting: Prepared for Central Coast Council, Sydney, Urbis.



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