Executive summary

Perth is entering a period that could redefine its place in Australia and the world. Over the next 20 years, the centre of the world's economic and commercial gravity is moving closer to Perth than at any time in its history, while competition over trade, energy and critical minerals brings greater strategic attention to the Indian Ocean. At the same time, another wave of population growth and industrial investment is gathering pace, with the potential to reshape where and how the city grows. What Perth makes of this growth cycle will shape the economy it builds, the quality of life it offers and the international roles it can credibly claim by 2050 and beyond.

Perth enters this next chapter with a strong hand. It combines the resources and economic weight of a vast state with the institutions, talent and lifestyle of an established metropolitan economy. It is also growing faster than most international peers, with considerable scope to shape where its next phase of growth goes and what it produces.

A top five liveability ambition demands a step change in what Perth delivers. Perth will need to keep the qualities millions already value while becoming a city where more people can build high value careers, live closer to jobs and services, find homes that suit different stages of life, enjoy a richer cultural life, and see Perth recognised internationally for a few things it does exceptionally well.

The opportunity is to turn the coming growth cycle into lasting capability. The next 25 years will bring more people, capital, infrastructure and industrial demand. Defence, mining and energy can also provide the customers, expertise and investment from which new Perth firms, technologies and specialist capabilities grow. There is a wide range of possibilities in how these forces reshape the city, and how much of that growth becomes enduring economic value.

Perth's fork in the road is now. Other cities across Asia and the Indian Ocean are becoming better connected, more innovative and more attractive to talent, investment and visitors, while some of the qualities that have long made Perth stand out are becoming less distinctive. Perth is likely to remain prosperous in the medium term, which makes complacency a real risk. It can keep growing while losing relative ground. The next wave of housing, industry and infrastructure will establish patterns that become progressively harder to change, so some of the hardest choices will need to be made early, when the costs and disruption are visible and the benefits are still years away.

As Perth grows, fragmented decisions become more costly. As the city moves towards three million and then four million people, choices about housing, transport, energy, skills and major precincts increasingly shape one another. Where homes are built determines how much pressure falls on roads and services. The larger Perth becomes, the more expensive it is to get these choices out of sequence.

Other cities show that long established patterns can be changed. San Diego, Auckland, Vancouver, Bilbao and Houston have each changed their economic base, urban form or identity during a period of growth by making a few consequential choices, aligning institutions and investment behind them and sustaining delivery long enough.

Perth's next phase of growth calls for stronger civic leadership alongside the powers, investment and delivery capacity of government. Other institutions bring capital, expertise, relationships, legitimacy and their own capacity to deliver. The lesson from mature metropolitan cities is that progress on shared priorities needs somewhere to be joined up, carried across political cycles and kept moving when responsibilities are dispersed. Civic leadership can provide that connective capacity.

The path to 2050 starts now. If Perth is moving in the right direction, the first signs will appear well before 2050. Major precincts will begin to turn infrastructure, research and industrial demand into new firms, technologies and commercial capability. Stronger centres and more housing choice will take shape, and the big choices will increasingly be understood as shared choices for Perth as a whole. Committee for Perth can help sustain that shared direction through its evidence, convening and continuing engagement with Perth's major institutions.

