In their introduction, Clive Forster and Stephen Hamnett provide a snapshot of the current state of Australian cities in relation to urban growth, housing, transport, city economies, residential differentiation and social exclusion, together with an overview of Australian city planning policies. Next, Pauline McGuirk presents a synoptic view of contemporary challenges to the governance of Australian cities. Gavin Wood et al. then examine the Melbourne 2030 metropolitan strategy and the potential conflict between aiming to concentrate development around rail stations in ‘Principal Activity Centres’ (PACs), while also ensuring that lower-income households have access to affordable housing in these centres. The focus for Bill Mitchell et al. is the impact on low- and moderate-income workers of declining housing affordability in inner-city regions. Rowland Atkinson and Hazel Easthope examine the role of universities and their staff and students within broader strategic policies to promote both the liveability of cities and their creative milieux. Raymond Bunker suggests that the recent proliferation of economic, infrastructure and metropolitan strategic plans raises concerns about how readily these can be aligned and integrated. Patrick Troy and Bill Randolph propose a number of radical approaches to dealing with Sydney’s domestic water supply and the current crisis in its provision. Garry Glazebrook and Peter Rickwood examine the implications of peak oil and global warming for urban passenger transport in Sydney. And finally, Peter Phibbs provides a case study of Sydney’s cross city tunnel which, on most assessments, has been a fairly spectacular failure as a Public Private Partnership (PPP).