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## MEDIA RELEASE



### Government report won't help with job creation

The Urban Development Institute of Australia (UDIA) Queensland has welcomed the announcement today (19 February 2009) by Deputy Premier Paul Lucas that comprehensive reporting of development application data will be published annually but called for more immediate measures to address industry job losses.

The Deputy Premier announced that the first annual report will be published in the second half of 2010.

UDIA Qld president Brett Gillan said: "The report will disclose what everyone knows now - that the statutory timeframes under the Integrated Planning Act (IPA) are routinely disregarded by most state departments and many councils throughout Queensland."

"Compliance with statutory guidelines is a key performance indicator for Queensland's planning system and while the industry and the government have been aware of this problem for some years, it appears to now be newsworthy for actual data from 'high growth councils only' and state government departments to be published in 22 months time."

Mr Gillan said there were other more pressing issues facing the Queensland development industry which needed action.

### INFRASTRUCTURE CHARGES

"Critical for the development industry today and causing rapidly escalating job losses throughout the industry are the grossly excessive infrastructure charges that are being progressively rolled out throughout the state by local authorities.

"There will be a mad rush over the next four and half months to implement increased charges because after June 30 increases will be limited to CPI increases on existing charges only."

"In Townsville, infrastructure charges of up to \$45,000 per lot are being mooted. Charges of up to \$35,000 per lot have been suggested for the Gold Coast City Council.

"Indeed the Gold Coast Mayor, Councillor Ron Clarke only two days ago publicly stated that hundreds of jobs would be lost unless infrastructure charges were reduced.

"In June 2007, the then-Premier and Deputy Premier promised that local governments would be required to phase in new charges and that standard infrastructure charging schedules would be promulgated for councils which did not complete infrastructure plans by June 2008.

"Already, Brisbane City Council has been forced to reduce charges by 35 per cent (in December 2007) as the original charging mechanisms generated levels of costs that would have halted development in its place.

"An immediate agreement that infrastructure charges be paid at settlement rather than upfront (as already occurs in New South Wales), would also be a great initiative," he said.

## PROJECT FINANCE

“A further significant issue that will stifle development and cost thousands of jobs is the current lack of finance for future residential development projects.

“As a result of the ongoing world financial crisis, Australian banks are not in a position to lend anywhere near the amount of funding that is necessary to maintain the Australian and Queensland development industries.

“Major projects are not being funded and as those projects already underway are concluded we will see only a small proportion of housing demand being met and projects being initiated.

“Indeed many major developers are unable to restock inventories as current holdings are developed.

“This is the most significant danger sign for the Queensland Government and it does need to be addressed at federal and state level as a matter of urgency,” he said.

## LAND SUPPLY

“As regards land supply, we are already seeing massive blowouts in times for the Greenfield Land Supply in South East Queensland strategy released by the government on the 18 July 2008.

“It is clear that notwithstanding all of the talk about delivering more affordable housing in Queensland, the structure of the Integrated Planning Act, restrictions on land supply and excessive “Infrastructure charges will continue to cause job losses and overly expensive houses for people in Queensland.

## INDUSTRY SURVEY

It is little wonder that 70 per cent of attendees at a recent UDIA Gold Coast function strongly agreed and a further 26 per cent agreed with the following statement:

*“I am not satisfied that governments at all levels in Australia (Federal, State & Local) appreciate the need to radically and immediately address inadequate land supply, excessive infrastructure charges, and the lack of finance to stimulate job creation on the Gold Coast and in Queensland.”*

Ends.

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