



7 May 2020

Cr Matt Burnett
Mayor
Gladstone Regional Council
PO Box 29
Gladstone QLD 4680

BY POST/EMAIL – mayor@gladstone.qld.gov.au

Dear Mayor,

RE: Congratulations and development industry employment during coronavirus outbreak

As you would be aware, the Urban Development Institute of Australia Queensland (the Institute) is the peak body for the property development industry in Queensland. Powered by a unique Research Foundation and a regional branch network comprised of 11 branches throughout Queensland, the Institute is ideally placed to provide you and your council expert advice on a range of matters relevant to the local development industry and its role in our economy.

We would like to take this opportunity to offer the Institute's sincere congratulations on your recent success in the local government elections. The Institute has long valued its productive working relationship with Mayors across the state and we look forward to continuing this relationship over the coming four years.

As you may also be aware, our industry contributes to 9% of regional employment in the Central Queensland region employing 6,217 people directly and a further 7,333 indirectly.¹ Whilst these jobs have always been important to quality of life in Gladstone, there has rarely been another time when it has been as critical to save these jobs and secure the economic future of residents throughout the region.

For this reason, we would like to brief you on some key issues arising from the outbreak of the COVID-19 pandemic and recommend initiatives which we believe will be key to our community weathering this difficult time and eventually being well positioned to recover. In writing, we would also like to acknowledge that council is already taking many steps to support the community as well as shouldering the responsibility to continue essential services.

The Institute holds significant concerns about the impact of COVID-19 on local employment in our industry. With many industry firms now under considerable pressure on several fronts, difficult

¹ Urbis for the Urban Development Institute of Australia Queensland, March 2018

decisions are being made about the continuation of projects, the launch of new projects as well as the longer term sustainability of businesses. For this reason, and further to our letter to council of 19 March 2020 and the Institute's *Project Bounce Back, a COVID-19 Industry Action Plan* (attached) we propose additional measures to keep the property development industry working. We particularly wish to emphasise initiatives below that council can put in place quickly, within the framework of existing programs, and which will have a material impact on saving industry jobs in a short time frame.

Halving all development related fees

This reduction in costs would allow the industry to keep applications rolling, thereby creating a pipeline of project work ready for economic recovery and jobs creation. It would also reduce the financial burden for projects at a critical time and assist directly with retaining their workforce. Mackay Regional Council has been proactive in this regard announcing this measure as part of their first COVID-19 stimulus package and we strongly encourage Gladstone Regional Council to consider this option to stimulate construction activity.

Offer Infrastructure Charges Incentive Scheme

Infrastructure charges discounts are a common way for local government to stimulate and shape economic development and have well established implementation mechanisms in councils throughout the state. Offering Infrastructure Charges waivers and discounts would provide critical support to company cashflow shoring up industry jobs through our region. We urge council to explore this measure to assist the property industry and stimulate and support the region's economy and respond to COVID-19.

Delay payment of Infrastructure Charges until the sale and settlement of land

Once the initial phase of COVID-19 is resolved, delaying the payment of Infrastructure Charges until the sale and settlement of land would give development businesses better cash flow management. The option to delay payment in specific circumstances already exists in some local government areas including Rockhampton and Fraser Coast Regional Councils. This approach can prove to be a very effective means of maintaining jobs and stimulating local economic activity. We recommend council consider this measure as we note this relief will assist with cash flow and help sustain industry jobs in the region.

Introduce new home builders grant

Council should replicate Rockhampton Regional Council's initiative, offering at least \$5,000 per new dwelling to boost local employment.

COVID-19 in general

We reiterate the importance of taking action to keep the property development industry moving to safeguard jobs, enable a bounce back of activity, and minimise damage to the economy as much as possible. We understand that these times present many challenges for council and we are very keen to offer our assistance to work towards an economic recovery strategy for Gladstone.

To this end Central Queensland Branch President, Gideon Genade will shortly be in touch to arrange a time convenient to brief you on matters raised in this letter as well as to answer your questions on all industry matters.

We thank you for taking the time to consider our letter during this difficult period. The Institute offers its assistance wherever we can to ensure the property industry continues to operate in the current

circumstances. If you have any questions, please contact Manager of Policy, Martin Zaltron (mzaltron@udiaqld.com.au) on (07) 3229 1589.

Yours sincerely,

Urban Development Institute of Australia Queensland



Kirsty Chessher-Brown
Chief Executive Officer



Gideon Genade
Central Queensland Branch President