

## Urban Development Institute of Australia (NSW) NSW Mini Budget Submission Summary



UDIA NSW is a proud advocate of the urban development industry and its customers, the people of NSW. We represent over 500 participants in the industry and our members include developers, regulators, and affiliated professionals. Our advocacy efforts are directed towards three major issues;

- housing affordability;
- investment certainty; and
- sustainability.

As responsible and ethical contributors to the public debate, UDIA NSW has taken the opportunity to make a submission and provide five recommendations for consideration in the development of the NSW mini-budget that should be adopted to assist in the recovery of the urban development sector.

The NSW economy is significantly underperforming those of other major states. Investment confidence in NSW is decreasing with consecutive reviews of infrastructure commitments and an uncompetitive regulatory and economic framework.

The 2008 mini-budget is the opportunity for the NSW Government to reinforce its commitment to delivering on the key strategic policy initiatives of the Metropolitan and Regional Strategies. This includes the commitment to delivering major lead-in infrastructure transport networks that provide multi-generational infrastructure that will underpin the sustainable development of new release areas and urban centres. This includes commitments to delivering infrastructure that has been announced, costed, programmed and promised to stakeholders who are investing in NSW.

Underpinning the strategic framework for investment must be a consistent and competitive cost structure. The significant downturn in the urban development sector, and therefore Government revenues, provides a valuable opportunity for the Government to review its policy settings for the property tax framework. UDIA NSW would welcome the opportunity to work with the Government to develop a more equitable, transparent and competitive tax and levy framework to assist in the recovery of the NSW economy.

The mini-budget provides opportunities for the NSW Government to target resources towards leveraging Commonwealth investment in infrastructure. The opportunity for the Government to utilise Commonwealth initiatives including the Building Australia Fund and the Housing Affordability Fund to renew and revitalise the NSW housing market has never been greater or more critical.

Revitalising the urban development industry will be fundamental to the recovery of the NSW economy. UDIA NSW offers the following recommendations for immediate consideration by the NSW Government in its development of the mini-budget:

1. **The mini-budget reinforce the Government's commitment to capital investment on key transport infrastructure to support new development in release areas and key centres. This includes;**
  - **delivering Stage 1 of the \$12 billion North West Metro by 2015 and Stage 2 by 2017 – promised in June 2005;**
  - **delivering the South West Rail Link from Glenfield to Edmondson Park and Leppington by 2012 – promised in June 2008;**
  - **delivering upgrades to Richmond Road, Schofields Road, Camden Valley Way, Bringelly Road; and**
  - **transport and servicing infrastructure identified in the Metropolitan Strategy, Regional Strategies and the State Plan.**
2. **The NSW Government use the opportunity presented by diminishing property tax revenues to undertake a comprehensive review of the cost structure for development in NSW and its relative competitiveness to other states.**
3. **The NSW Government establish an Infrastructure Taskforce comprising of three Government appointees and three key private sector stakeholders to engage directly with Infrastructure Australia and Commonwealth Government on the Building Australia Fund and other infrastructure initiatives.**
4. **The Government conduct a thorough review of the role of Government agencies in the assessment of investment opportunities to ensure an efficient, whole of government approach to delivering strategic policy objectives.**
5. **Maintain the independence of the Growth Centres Commission in coordinating the delivery of new homes to the Sydney Growth Centres.**