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### NSW Treasury's Chief Economist calls for changes in CBD planning

Urban Taskforce welcomes today's intervention from the Chief Economist of the NSW Treasury, Stephen Walters, who says that post COVID-19, Sydney's CBD will not return to pre-COVID employment levels. That means the planning system must be flexible and allow changes of use to apartments as has happened successfully throughout the world.

Urban Taskforce has been calling for increased flexibility in CBD planning since well before COVID-19.

These calls have been supported by the Commonwealth Productivity Commission, the NSW Productivity Commission, the Reserve Bank of Australia, and now the Chief Economist of the NSW Treasury.

It is time the NSW Minister for Planning, Rob Stokes, started to listen to the very people who said planning approvals are too slow, too prescriptive and too few. Urban Taskforce said that this would result in upward pressure on new housing prices and that is exactly what we are seeing now.

Urban Taskforce welcomes the support from the Treasurer, Dominic Perrottet, while noting that any change will require much greater flexibility from the City of Sydney. The State Government has the capacity to assert this through the Central Sydney Planning Committee (CSPC) but to date, the Government representatives on the CSPC **have not** used their authority to take on Council's reluctance to support residential apartments in the CBD of Sydney. This needs to change and it is great to hear the Government's Chief Economist saying so.

A change to the objectives and the permissible uses in the "B3" zoned commercial core areas would allow for greater flexibility in CBD locations to stimulate CBD investment across Sydney.

Chatswood is a notable example of a CBD centre that has died under Council's obsession with preserving the town centre as "commercial core only". There has not been a new building constructed in their B3 zone since the early 1990s. Stephen Walters' suggestion that a flexible mixed-use option is the key to the future is timely.

The GSC also needs to heed the changes in employment habits following COVID-19, and focus policy on delivery of new homes as well as jobs. Increasingly homes will be used as workplaces. That means commercial centres and well-located industrial areas should also accommodate apartments – particularly where those centres are close to public transport.

End.

The comments above can be attributed to Tom Forrest, CEO, Urban Taskforce

*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

Media Enquires: Tom Forrest, Chief Executive Officer: 0429 460 863

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