

10th August 2021

Infrastructure Contributions reforms delayed

Urban Taskforce CEO Tom Forrest said today that the decision by the NSW Upper House Policy Committee to recommend the deferral of a Bill to enable significant changes to the regime of infrastructure contributions was disappointing, but unfortunately inevitable.

“The EP&A Act (Infrastructure Contributions) Amendment Bill was brought before the Parliament too early. The detail was simply not there to support the Bill. The Department of Planning had not conducted consultation with industry, local government or landowners on the proposed changes. Case studies and draft practice notes, regulations and Ministerial Directions had not been prepared”, Mr Forrest said.

“Urban Taskforce strongly supports the work of the NSW Productivity Commission and their package of recommendations. However, Urban Taskforce members were concerned not to simply give a blank cheque to Councils or Government without seeing any of the detail.

“The NSW Productivity Commission’s Infrastructure Contributions Report was completed and released on December 3, 2020. It is very disappointing that the Department of Planning did not immediately begin the process of working with stakeholders on the detail of how the recommendations would be implemented. But it is not surprising that the Bill is seen to be not ready to progress given the lack of detail available.

“The process of detailed consultation began after the Bill had been introduced into the Parliament as a ‘Cognate Bill’ to the NSW Budget. This Amendment Bill was then separated from the Budget and considered by the Upper House Committee. In this circumstance, it is not surprising that the NSW Legislative Council decided that they wanted to see more before they could recommend that the Bill be passed.

“Urban Taskforce will continue to work with Government on the analysis of case studies to examine how the proposed changes will impact of development feasibility and the end cost to new home buyers. We look forward to supporting the passage of the legislation when this work is complete”, Mr Forrest said.

End

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

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