

## MEDIA RELEASE

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### **Queensland's decision to delay new building standards should be followed by NSW**

Urban Taskforce CEO, Tom Forrest, today commended the Queensland Government's late decision to delay the introduction of new NCC building standards, as they apply to energy efficiency, until May 1, 2024. The Queensland Government has recognised the tough conditions facing the property and construction sector.

The deferral gives industry time to sort out supply chains and ensure they have the building materials necessary to meet the new standards.

Queensland's decision leaves only NSW and the ACT proceeding with the new standards on October 1, 2023.

Every other State has listened to the concerns of the sector.

NSW has deferred the new standards for free standing homes till 30 June 2024, but did not make the deferral applicable to apartments. Urban Taskforce calls on the Minns Government to follow the lead of every other state and apply the deferral universally.

The NSW Government still has time to follow the lead of the other States and defer these new costs to construction until 30 June next year.

Besides supply chain issues, the sector is struggling with higher interest rates, tighter financing conditions as well as higher labour and constructions costs. We are seeing building companies go bankrupt at an unprecedented rate.

The last thing needed now is for yet another charge to be placed on the construction of new dwellings and particularly the more affordable end of the market – apartments.

The NSW Government is placing additional financial pressure of the purchasers of new homes. The changes to BASIX will come in on the same day as the new Housing and Productivity Contribution. IPART is currently examining Sydney Water's proposal to reintroduce water infrastructure charges.

The cumulative impacts of State and Local Government charges are acting as a brake to development and dampening industry confidence.

These new charges, along with the tougher market conditions, are jeopardising the feasibility of the new housing that we need to meet the National Housing Accord's target of 376,000 new market homes in 5 years from June 1, 2024.

A universal deferral of the implementation of the NCC standards will make NSW consistent with other States and importantly provide some financial breathing space to the industry in these tough times.

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The comments and analysis 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.*