STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE

Members present:
Mr CG Whiting MP—Chair
Mr JJ McDonald MP
Mr MJ Hart MP
Mr RI Katter MP
Mr JE Madden MP
Mr TJ Smith MP

Staff present:
Ms S Galbraith—Committee Secretary
Dr K Kowol—Assistant Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE HOUSING AVAILABILITY AND AFFORDABILITY (PLANNING AND OTHER LEGISLATION) AMENDMENT BILL 2023

TRANSCRIPT OF PROCEEDINGS

Monday, 23 October 2023

Brisbane

MONDAY, 23 OCTOBER 2023

___

The committee met at 11.46 am.

CHAIR: Good morning. I declare open this public hearing for the committee's inquiry into the Housing Availability and Affordability (Planning and Other Legislation) Amendment Bill 2023. My name is Chris Whiting. I am the member for Bancroft and chair of the committee. I would like to respectfully acknowledge the traditional custodians of the land on which we meet today and pay our respects to elders past and present. We are very fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander peoples, whose lands, winds and waters we all share. With me today are: Jim McDonald, member for Lockyer and the deputy chair; Jim Madden, member for Ipswich West; Michael Hart, member for Burleigh; Robbie Katter, member for Traeger; and Tom Smith, member for Bundaberg.

This hearing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the hearing at the discretion of the committee.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and my direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website and social media pages. Could you please turn your mobile phones or devices off or to silent mode.

I now welcome representative from the Urban Development Institute of Australia, the Planning Institute of Australia and the Real Estate Institute of Queensland.

BENNETTS, Ms Nicole, State Manager—Queensland and Northern Territory, Planning Institute of Australia

CHESSHER-BROWN, Ms Kirsty, Chief Executive Officer, Urban Development Institute of Australia

HOPEWELL, Mr Stafford, Queensland Policy and Advocacy Committee Member, Planning Institute of Australia

MACOUN, Ms Sarah, Director, Urban Development Institute of Australia

MILTON, Mr Dean, Chief Operating Officer, Real Estate Institute of Queensland

CHAIR: Good morning. We will ask someone from each of your bodies to make a five-minute opening statement. We will do that first and then go to questions from the committee. We thank you once again for appearing very early in this process. We understand that there have been consultations happening over a long period, so we thought it would be appropriate to have you in early in the process to tell us what you think about this.

Ms Chessher-Brown: Thank you for the opportunity to appear this morning. As members are well aware, a comprehensive housing affordability and rental availability disaster is well underway in Queensland and is showing no signs of easing. In fact, much data, including Queensland house and unit approvals as well as owner-occupier home loan approvals, indicates that the crisis will get worse before it gets better.

Despite the complexity and range of factors which are driving the crisis, a fundamental problem is that there are simply not enough houses for the number of Queenslanders who need them. Put even more simply, this means that there is insufficient housing supply. Boosting supply—that is, getting large numbers of new homes on the ground quickly—is the solution that we urgently need. Therefore, it is the key criteria against which we will assess the bill in our analysis over the remainder of this month.

Overall, our initial analysis is that this bill will assist with the supply of new housing in Queensland and, notwithstanding some specific objections, it is generally supported by the institute. The institute would also like to acknowledge the work of the Department of State Development, Infrastructure, Local Government and Planning in progressing some of these reforms.

While we are still considering some of the detail of the bill, the institute supports several aspects of the bill. Firstly, the institute supports the bill's creation of a reserve power for the state to take or purchase land or create easements for planning purposes to facilitate the delivery of development infrastructure to unlock development. The inability to cost-effectively deliver the infrastructure needed to support the building of new homes is a critical barrier to progressing development. The measures in this bill allow the planning minister to be able to take or purchase or create land for development infrastructure and it is the breakthrough needed in numerous projects around the state currently and into the future. The institute has long advocated for these measures and supports these provisions.

Secondly, the institute also supports the state facilitated application process for priority development. Increasing the pace at which developers can move through the long process of delivering more homes is a critical factor in solving current housing shortages for Queenslanders. The institute supports the state facilitated application process for priority development measures in the bill because of its potential to speed up the development process. Thirdly, measures to give the planning minister powers to direct urgent action by local government to amend planning schemes to protect or give effect to state interests is also supported by the institute on the grounds that it has the potential to make the planning scheme more responsive.

Notwithstanding these positives, the institute has also identified some matters of concern in its early analysis. The severity of the current housing crisis calls for a single-minded focus on keeping development moving and ensuring a proper pipeline of housing projects can continue to be delivered promptly, particularly in high-growth areas. The measures in the bill to introduce a new urban investigation zone run counter to this objective and are not supported by the institute.

The institute's concern is that any pause or rezoning to an urban investigation zone will take an inordinate amount of time. Average significant planning scheme changes can take three years or more. This would then be followed by a review of the urban investigation zone by the local government after five years if acted upon and then would be required to be rezoned in an available urban zone. Delays of this magnitude are unacceptable in the midst of the current crisis.

Further, given the availability of other tools already currently available within the planning system, the proposed new zone is unnecessary. It is a blunt tool and is not the way to deal with demand for growth. It should be noted that an application does not under any circumstances guarantee an approval. Where there are infrastructure shortfalls, the current system entices all players including developers, local governments, state government agencies and water utilities to the table to negotiate. This has consistently yielded positive outcomes for Queenslanders.

For example, land at Morayfield South is predominantly held by three developers. The land was originally zoned 'emerging communities'. At the time, developers were able to lodge applications. In the case of one major project in the region, an application was lodged in 2020, approved and shovel ready in 2022 and registered in 2023, and as a result 120 new homes for Queenslanders are under construction as we speak. This was made possible because the existing system offered a pathway for developers to work with council—in that case Moreton Bay Regional Council—and Unitywater to negotiate infrastructure agreements to share the delivery of the infrastructure to deliver land to market. Collectively, the developers are now delivering around 4,000 homes and sales are occurring faster than developers can produce land.

If land was zoned under this bill as 'urban investigation', it is likely that that land at Morayfield South would not have been brought to market in the same time frame. In fact, one of our members in this case study has estimated that if council had used the proposed new zone the same process would have taken five to 10 years rather than two. In the developer's view, the key to the whole process in the current system at least offers the chance to lodge an application leading to negotiation and ultimately a stronger chance at getting more houses on the ground sooner.

The amendment to the proposed statement for emerging community zone is also not supported by the institute. Early analysis by institute members indicates that the effect of the change would likely be restriction of housing delivery in these areas. This is of serious concern when we estimate that around 80 per cent of present greenfield housing delivery occurs within this zone. Noting our previous comments in many other forums regarding inadequate structure planning action by local governments, it is likely that many areas could fail to meet the test for which detailed land use and infrastructure planning has been carried out.

The change to the purpose statement of emerging communities essentially renders the zone obsolete given the bill's proposal to introduce a new zone, which essentially sterilises land until infrastructure and structure planning has been undertaken. The amendment to the proposed statement and proposal to introduce a new zone conflicts with the bill's objective to deliver more homes where they are needed faster. Thank you for the opportunity to comment.

Ms Bennetts: Good morning and thank you for inviting the Planning Institute of Australia to come and speak to the committee today. I, too, would like to acknowledge the traditional owners of the land on which we meet and pay my respects to elders past, present and emerging. As you know, PIA is the national body representing the planning profession and planning more broadly and advocating for the importance of good planning in shaping Australia's future. PIA facilitates this advocacy through strong leadership and contemporary planning education.

As part of the housing crisis, we are advocating for all Australians to have access to affordable, well-located housing that is integrated with essential services like transport and employment. PIA recognises the many housing crises facing our Queensland communities and supports action to help address this challenge. We note that this housing crisis is not unique to Queensland or even Australia but is a global phenomenon. The data is consistently telling us that the single biggest issue affecting the timely delivery of housing on the ground is construction and that planning changes cannot solve that crisis alone. Whilst not a crisis response, planning does play an important role in ensuring the next wave of housing commences down the pipeline in the medium to long term.

The Planning Institute recently published *Planning for housing we need,* setting out three themes and a 10-point plan for action. The goal is to unlock the right housing in the right locations supported by the right infrastructure. This can be achieved by enabling more housing for those in need, encouraging greater housing diversity with good design and improving decision-making and strategies.

I turn now to the bill. At the outset I would like to note that we are still working through the details of the bill. The comments I share with you today are preliminary in nature and will be refined further as part of our full submission next week. I would also like to note that the bill covers a range of topics, but I will focus on those parts that are most relevant to the work of planners across the state, within both the government and the private sector.

For us, the key challenge is maintaining public trust in the Queensland planning system whilst managing the unprecedented growth across Queensland over the coming decades. Firstly, I mention the new powers where the planning minister can take or purchase land or create easements for development infrastructure. In principle, we support the proposed amendments which would allow the planning minister to take or purchase land or create an easement for development infrastructure. As I mentioned, there is a collective focus across all parts of the planning system to ensure that well-located housing is being delivered on the ground to meet the needs of Queenslanders. This change in the bill will ensure that, where land ownership constraints are preventing the timely delivery of new housing, a tool exists to create the necessary tenure arrangements for the delivery of the infrastructure.

Whilst we support the change, it is important to reiterate that the most pressing issue is the nexus between the delivery of new housing and the funding of infrastructure. There does continue to be a lag between land use planning and infrastructure funding and delivery which is limiting the ability for new housing to be delivered on the ground. We encourage the government to ensure a holistic solution is created for this infrastructure delivery and funding and to ensure we are proactively seeking to remove any impediments for infrastructure for the timely delivery of housing. We would also recommend considering the New South Wales approach. They have similar provisions to what is proposed in the bill but they allow developers to commence the action to acquire the easement rather than it be government led. This could be a more efficient process. With appropriate checks and balances put in place, such as requiring the minister's consent, a developer managed process may be the most effective solution.

Secondly, turning to the state facilitated application process, at this stage we are still working through the detail about the proposed operation of this process. There are a range of unknowns which make it difficult for us to weigh the benefits and risks. Some of the biggest unknowns include the expected frequency of use of this process, the scale of project which might apply and whether affordable housing is the only state matter applicable. PIA suggest that further engagement is required to achieve greater clarity and finetuning of this process to ensure it does deliver on its intended purpose. Overall, and as a mechanism, we can see the benefits in a pathway which allows

for affordable housing coupled with for-market housing to be expedited. Other states such as Victoria and New South Wales have state assessment pathways and in both instances outline very clear criteria about when the state would step in.

What is not clear about the bill is whether it would deliver an expedited process given its comparatively process-heavy nature. We also know anecdotally that ministerial infrastructure designations are taking between a year and 18 months which is, on average, longer than a local government facilitated impact assessable development application. This suggests that state assessment may not actually be faster than local government assessment. To address these anecdotes, PIA recommends a commitment by state government for development assessment data to be tracked and publicly released via an online dashboard including for local government assessment, the ministerial infrastructure assessment and this new process if it is successfully enacted. This would create greater transparency around efficient and effective assessment pathways for applicants and would help inform future policy and legislative decisions such as this. Data will help us better understand what impacts a process such as this could really have.

We would like to highlight that a key risk with the new process is the removal of rights from both local government and the community, and this is coupled with the first principles assessment, not against the agreed rule book, which is usually the planning scheme. This could give rise to an erosion of trust in the planning system. As a result, we strongly suggest that a balanced approach is taken and very clear criteria outlined about when state facilitated assessment processes are to be used. The Planning Institute would be concerned if the intent for the state facilitated assessment process was to be used to undermine strategic planning or simply because an applicant was aggrieved with their dealings with local government.

In addition, we suggest that more information is needed to demonstrate that the state government has the required resources, personnel with appropriate qualifications, and tools and information to facilitate the assessment process. In particular, one of our preliminary concerns relates to the way in which the state facilitated assessment process would be undertaken with infrastructure providers. More often than not, local governments or their affiliated entities are responsible for the provision of key urban infrastructure such as local roads, water and sewerage. The state facilitated assessment processes could actually create some issues where approvals have been granted without the infrastructure delivery or funding being properly considered because the state is not the entity responsible for the funding and delivery of this trunk infrastructure.

Finally on this matter, in considering the type of development this new process would apply to, the draft ShapingSEQ regional plan—which is largely supported by the Planning Institute—is focused on facilitating housing diversity within our existing suburbs and infill locations. This includes increased densities and high-amenity areas like around train stations and shopping centres and allowing gentle density in our low-density areas. This is a key policy area which needs concerted effort and change to see meaningful differences and see more housing delivered on the ground. However, the Planning Institute is unclear how this new state facilitated process would help achieve this policy intent, particularly for the smaller to medium scale infill development given that the process for this new assessment pathway is fairly heavy and that there is a lack of statutory time frames. The Planning Institute is currently exploring these issues with our members, weighing the benefits and risks. We will aim to provide a comprehensive response to you through our submission.

Thirdly, turning to the new urban investigation zone, in principle we support this new zone. As new growth areas are identified, it is critical that integrated land use and infrastructure planning and delivery is well considered up-front rather than it being dealt with on an ad hoc basis through the development assessment system in a reactive and not cost-effective way. However, we highlight to the committee that previous attempts to instigate this type of approach for new growth areas has sometimes resulted in land being locked up for extended periods of time. As a result, we suggest considering the length of time for which this zone may be used. It is currently proposed at five years.

Maybe a two-year period would be a more reasonable approach to undertake the necessary land use and infrastructure planning for these areas, with the option for local governments to seek an extension based on evidence the land is not needed to meet the medium to longer term housing targets. The introduction of this zone will require land use planning and infrastructure delivery to occur in a timely manner, but it requires adequate support for local governments to achieve this. This is particularly important given that the bill removes the potential for compensation when land is included in the zone.

One of the key issues that has emerged through the current housing crisis is the need to ensure the planning system keeps pace with the speed of housing delivery. PIA acknowledges that the planning system, particularly our strategic planning system, is too slow at responding to the needs of

our growing communities. The risk with this new zone is that it only exacerbates this issue potentially by further preventing the delivery of housing on the ground due to the lag time associated with progressing the strategic planning through the legislative process.

In response, PIA has advocated for reforms to Queensland's planning scheme amendment processes to make it easier, faster and cheaper for local governments to amend their planning schemes so they can respond in a much quicker way to the needs of our communities and plan for this future growth. PIA cautions that this new zone is unlikely to work unless it is implemented alongside some of these other reforms to ensure our planning system is much more efficient. In addition to a truncated planning scheme amendment process, this could also include the consideration of value uplift or value capture for the urban investigation zone to help offset the significant financial contributions required by state and local governments in delivering the necessary infrastructure within new growth areas.

Fourthly, turning to the ministerial powers to direct urgent action by local governments to amend their planning schemes, in principle PIA supports the planning minister having reserve powers to direct local governments to amend their planning schemes. However, we believe that in a healthy planning system these powers should only be used infrequently and where absolutely necessary. We would also like to take the opportunity to suggest that consideration should be given to the provision of funding to support the delivery of contemporary housing studies for councils, similar to the approach recently taken in other states where the rollout of housing studies was partly funded by the state government. Whilst ministerial powers are important, there are a range of other tools to support local government, such as reviewing the planning scheme amendment process, which would support a more nimble and responsive land use planning system.

Finally, turning to the public notification changes, we support the changes in the bill which remove the requirement for public notices to be published in local newspapers. This change reflects a shift towards more digital technology platforms which can provide the community with more readily available planning information. Whilst many councils in South-East Queensland have implemented technology solutions to support higher and easier access to planning information for the community, regional councils do not have the same resources to implement some of these changes. Given the bill will make changes across the state, we suggest that we look at ways in which regional communities can be better supported to transition and implement new technology solutions to support their ease of access to planning information.

In summary, I would like to thank the committee for the opportunity to speak today. We recognise the continued effort being made by the Queensland government to progress timely regulatory reform that will support an increase in housing delivery and affordability for all Queenslanders.

Mr Milton: Thank you for the opportunity to provide the REIQ's views and input in relation to this bill. The REIQ is the state's peak body for the real estate industry, representing the profession for more than 100 years. We believe that everyone should be able to make educated, informed decisions about buying, selling and renting property, and taking part in business in Queensland. Our CEO, Antonia Mercorella, is a member of the Housing Supply Expert Panel and has taken part in every housing summit and round table over the last 12 months.

Queensland remains an incredibly active property market, with a 118,000 titles transferred over the last financial year, and we are second only to New South Wales in terms of sales activity. However, we remain gripped by a shortage of housing. We have the lowest levels of home ownership in the country coupled with the tightest rental market. The volume of established house listings for sale is well below pre-COVID levels. On top of this, tenants are now staying on average eight months longer in rentals than they were a decade ago. Building approvals are at decade lows, as are loans for construction of new dwellings. We are still seeing increased costs of construction and a tight labour market. Given this context, obviously planning is only a small part of the puzzle to improve housing supply.

Turning our focus to the proposed bill—and obviously these are only preliminary comments based on the time frame—overall, we are supportive of the measures in this bill. I will comment on the three main aims of the bill as set out in the explanatory notes. We welcome the ability for the minister to hold a reserve power to acquire land for critical infrastructure to unlock property development. This is a long-held position of the property industry and one that REIQ fully endorses.

In relation to the proposed provision of powers to the planning minister to fast-track approval for state priority projects, whilst we welcome this measure, our position is that state priority projects be limited to those that are the provision of just new housing, not those defined as affordable or any other large infrastructure projects. In fact, affordable housing is yet to be fully defined.

We oppose the establishment of urban investigation zones. On first impression, this measure would appear to contradict the intention of the previous measure. Providing councils a way to pause development of the process for five years appears to be counterintuitive in the current circumstances. I will conclude my comments there, but thank you for the opportunity to comment.

CHAIR: Thank you very much. Kirsty, you said that as an alternative to the urban investigation zones there are other tools available. Can you describe the tools that you are thinking about?

Ms Macoun: I will answer. One that I had in mind and that Kirsty and I have discussed is the TLPI, the temporary local planning instrument, which you may be familiar with.

CHAIR: I have one in my area.

Ms Macoun: They are initiated generally by local government and they have a two-year life span once the state has given its imprimatur to say that they can proceed. That is an option that is currently available. The other thing that I had in mind is that, alongside emerging community areas that local governments use, they also use the rural zone as a place to put land that may in the future transition to becoming urban development but is not quite ready at the time. Those were the couple of options that I had in mind.

CHAIR: Nicole, you said that this bill is process heavy. Can you describe what you mean by that? What parts of the bill do you see as process heavy?

Ms Bennetts: I was referring specifically to the state facilitated assessment process in that comment. It is a double-barrelled or a two-step process. Firstly, there is a requirement for the minister to accept that the application is to be under this process. Then you go through the typical assessment process that you would normally need to do for any normal development application, although it is a first principles assessment, not something that is against the agreed planning scheme. That is a fairly heavy process because it is a two-step, largely double-barrelled approach.

There are no statutory time frames. In code assessable applications or impact assessable applications, local governments are bound by statutory time frames within the legislation. There are some time frames in the bill, but largely it is fairly unknown how long that process could potentially take because there is that ministerial decision required up-front. I might defer to Stafford.

Mr Hopewell: To elaborate, the way the state facilitated assessment process has been set up can either be triggered through a call-in of an existing application or someone can apply to the minister for an application to be made. In effect, that would effectively require the application to be prepared and given to the state. If the minister deemed that it was declared to be a state facilitated application process, that application would then need to be lodged as is. It could not be changed in any material way. In effect, you would be putting someone through a lot of work up-front to prepare their application and give that to the state without knowledge up-front of whether or not it is going to be accepted through this process.

Coming back to one of the points where we think some further clarity would be beneficial, given that it is unclear at this point what level or scale of application might be triggered through this process, if we are talking predominantly smaller scale—affordable and social housing projects—it could be quite onerous to put groups through that process to even get through the gate to go into the process. Conversely, if it is targeted more at larger scale projects, particularly maybe market-led, mixed-use projects, that might be less of an issue. One of the concerns we have is ensuring that the tool is fit for purpose and that it can really benefit those projects and developments it is being targeted at.

CHAIR: Once again, a time frame on that ministerial process would be quite useful. Would that be the same process if the applicant decided to put in the application to council instead? Would they still need to go through that front-end process if they decided to go down that route?

Mr Hopewell: That would be a slightly different gateway in the sense that the minister does have the ability to effectively call in an application that has already been made. It would be open to the state to be approached by someone who has already lodged their application and make a decision on whether or not that should be brought into the scope of the state facilitated assessment process. If that happens, as part of the declaration around that the minister would decide at what point in the process the application may restart or proceed from. Again, there is possibly some uncertainty as to what time savings might be delivered in a specific example. The minister does have discretion to determine how the application moves forward from the point of a call-in where that does happen.

Ms Bennetts: I think it is important also to note that the process is designed because it is a first principles assessment. What that means is: it does not have the benefit of all of the strategic planning that would ordinarily have been undertaken when you lodge, for example, a code assessable application. A code assessable application is something which meets the intended planning scheme

and it is facilitated in a timely way by local governments, because a lot of that up-front weighing and balancing of trade-offs—where the infrastructure needs to occur, what the highest and best use of that land is, whether it is for residential or industrial purposes and those sorts of things—is undertaken through a plan-making process which, from our perspective, is the best place for those trade-offs to happen.

This process is trying to do some of that work within an assessment process because it is taking a first principles assessment away from the planning scheme. That planning scheme is the thing that has already done a lot of that heavy lifting, so it does need to be longer and more onerous and more arduous, and there does need to be additional engagement undertaken with affected stakeholders in this state assessment process because it does not have the benefit of all of that kind of strategic planning that would ordinarily have been done. That is why our recommendation is that we need to be looking at that process for strategic planning really in a focused way, because we think there are truncations to that process which could be made to both the state time frames and the local government time frames so that we can get more efficient plan making so that it is not taking three to five years for a planning scheme amendment to go through the process so that those planning scheme amendments can be pushed through in a more timely way and we are not seeing TLPIs coming out from different locations to try and come around those more favourable processes.

A planning scheme amendment process does take everyone on the journey. It does undertake significant community consultation. It does weigh and balance all of those competing state and local government issues and interests. We see why there is the double-barrelled approach here. What we are noting is that it does make it a fairly process-heavy process. What that means is that you are unlikely to see smaller or medium scale infill development follow this process. You would need to have an application that is fairly sizeable for it to make sense to go through this process. I hope that makes sense.

CHAIR: With the facilitation process, if there is a mixed development that may be the best way forward for it. We are talking about providing social and affordable housing as part of a mixed development; therefore, are those the projects the REIQ thinks would suit that particular process?

Mr Milton: Yes, on the surface, absolutely. Obviously that is where developers would need to make their call on the commercial returns as well. If you look at build-to-rent, for example, obviously that falls outside the scope of this, but the definition of affordable is 25 per cent below the market premium. Build-to-rent quite often will charge above the market premium, so what that discount is doing is effectively bringing it back to the market rate. I guess the definition of affordable housing there may not meet community expectations from our perspective. In terms of mixed use, I would probably have to defer to the UDIA and Planning Institute on that side. From our perspective, definitely we would like to see more social housing coming out of the ground.

Mr McDONALD: Thank you all for your presentations and your opening remarks caveated with further work to happen. Were each of you engaged through consultation for the development of this bill? I am concerned that we are not going to achieve the extra availability and affordability the bill outlines. We are putting process and systems in the way of things as opposed to being forward. I know that you have given a broad overview, but what are your views particularly around availability and affordability?

Ms Chessher-Brown: From our perspective, we have obviously been involved over many years—I think more than a decade—speaking to utility providers, local government and state governments about the importance of initiatives like the planning minister being able to take an easement. We have been advocating for different measures that we think will boost housing supply over many years. In terms of the specifics of the bill as it sits in front of us, no, we were not, and obviously we are thankful for the opportunity to work through it now in a very lengthy submission process.

From our perspective when we look at it—what we are calling the three main tranches of the bill that are designed to provide some improved conditions for housing affordability—we do see there are some benefits. I know of some real-life case studies where a planning minister being able to take an easement to facilitate some trunk infrastructure would have unlocked some supply. We see that as a good measure and something that could help in terms of attainability and affordability. Obviously, the longer that land is held onto and the more difficult that process becomes, it starts to directly impact on housing affordability pressures.

Secondly, with regard to the state facilitated pathway, as you have heard this morning, we are still searching for the detail in terms of what will reach the hurdle of being a priority for the state in terms of scale, threshold and use. We are very much waiting to see that detail to determine whether

or not we think it will play a key role. We know through previous member surveys that there are a large number of lots and dwellings currently held up in the planning process. If this state facilitated pathway is able to provide an alternative avenue to progress some of those dwellings then we think it would be quite a positive move. We cannot see how the urban investigation zone improves housing affordability or attainability as it is currently presented.

Ms Bennetts: In terms of consultation, this bill brings together a range of initiatives that the government has been working on. The Planning Institute has been engaged through a number of those. The one that probably came as the most surprise to us was the state facilitated assessment process. The others around easements, the new zone and DCP and all of those changes we had seen and we have provided comment and feedback through various mechanisms to the government. It is the new assessment process, which is why I was the vaguest on our position on that, because we have not had that opportunity to really work with our members more fulsomely on what that is. There is some detail that we are yet to see on it that makes it a little challenging to weigh some of those benefits and risks.

In terms of whether we think the bill achieves its purpose, that is a key question we have asked ourselves and it is probably not something I can comment on just yet. It is something that we will have in our full submission. I think it is a really important one to ask. My apologies, I cannot comment on that.

Mr Milton: Not directly on this bill. Obviously, we are talking to various departments and so forth on these matters. Toni, as I have said, is on the Housing Supply Expert Panel, which I assume would be covered under these briefings. Whether this bill achieves its aim—definitely speeding up the priority process and the critical infrastructure, it meets that. But obviously there is a lot more at play: consumer demand, taxation, interest rates and so forth, which will lead demand and supply. It is great to expedite, but obviously there has to be a buyer at the other end.

Mr MADDEN: I just wanted to ask a question following on from your statement with regard to that development at Morayfield. It is to do with the role of Urban Utilities and Unitywater with regard to facilitating development. I am trying to work out the chicken and egg here. If a development wants to proceed, does Urban Utilities forward-plan for that, or is it the case that there must be negotiations with the local government authority and the developer for Urban Utilities to expand their sewerage and water network?

Ms Chessher-Brown: A utility provider undertakes forward infrastructure planning, just as local governments do. Often there can be a disconnect between where that growth goes and the timing of that growth as opposed to forward planning. What the current process does enable is for an application to be made to bring those parties together to talk about growth areas and how that might take shape and different pieces of infrastructure and where they might be needed the most, issues around sequencing and also, importantly, funding. The case study we have cited this morning did enable those discussions and the successful funding and delivery of that infrastructure to get homes on the ground.

Mr MADDEN: Do you foresee this legislation could facilitate that or improve those arrangements, particularly the minister's direction?

Ms Chessher-Brown: The minister's direction to amend schemes?

Mr MADDEN: Yes.

Ms Chessher-Brown: I think we probably see that that is quite a useful progression in terms of the bill, particularly related to regional planning outcomes and where growth fronts are brought online, whether it is through the PFGA process, whatever it be, that will hopefully enable and entice local governments and utility providers to update their schemes in a more timely manner.

Mr MADDEN: Because this does provide for compulsory acquisition of land for easements or sewerage and water—well, other things, but it certainly would facilitate that. In my electorate it is pretty important because the western corridor of Ipswich has no sewerage other than around Rosewood but we have plenty of subdivisions that have been approved. We have water; we just do not have sewerage. Thanks for clarifying that.

CHAIR: Does anyone else want to comment on that?

Mr HART: I think all of my questions are probably slanted at my perception that this legislation allows the state to overcome local government on certain levels. Stafford, just going back to your comments about the ministerial call-in, my understanding is that the ministerial call-in is only where there is state interest. Is having a call-in process or a ministerial direction—whatever we want to call it—for other than a state interest a benefit to constructing more dwellings, do you think?

Mr Hopewell: The way the bill has been brought forward, it is certainly introducing a new power around the state facilitated application pathway to enhance the range of tools that the state can use. Looking broadly at the act, we have the existing ministerial designation process and we also have an existing ministerial call-in power. All of those powers are still subject to tests of various state significance. They are framed a bit differently, but they are essentially all subject to the minister being satisfied that it is in the state interest to exercise the relevant power. Broadly speaking, I think PIA would agree that that is a beneficial suite of tools to have, to have that flexibility. Probably in terms of practical or tangible outcomes, a lot comes down to how they are used and applied on a day-to-day basis.

One of the concerns, or gaps potentially, we have identified in our preliminary review is: if these mechanisms are truly intended to be reserve powers, does it then follow that they will only be used very sparingly? If that is the case, does that mean the tangible impact will actually be quite limited? If only a small number of applications are going to be processed through the state facilitated process each year, will that really make a tangible contribution to the need for housing supply, given we are looking at something like 45,000 dwellings per year on average over the next 20 years? Conversely, if the tools are meant to be used quite regularly, that I suppose then raises some questions around resourcing and probably some equity issues about what projects actually go through this process and what have to go through the mainstream planning process.

Again, as a general observation we would make the comment that, whilst PIA is probably very supportive of the majority of the changes, there does not seem to be a lot in the bill that has broader application—if I can call it the more bread-and-butter DA process. That is probably an issue that we still need to turn our minds to and provide some further submissions back to the committee.

Mr HART: You mentioned a definition for ‘affordable housing’. Where does that need to be and does anybody else have a comment on a definition for affordable housing?

Mr Milton: I think it is still being worked through. From what we have seen from the community housing providers, they are definitely very interested in seeing that definition arise. I think there is some talk—I would have to go back and double-check—of 80 per cent of the 30th percentile median income or thereabouts is the best way to define it, but how that actually works in practice and how that is assessed, who assesses it and where are the big questions.

Mr HART: Does it need to be black and white or should it just be a grey area?

Mr Milton: From our perspective, it probably needs to be black and white; otherwise, you could potentially push the limits on it. If you are going to be making legislation against affordable housing, it should be defined somewhere.

Ms Bennetts: Affordable housing is defined in the Planning Act currently. It is an administrative definition so it is not a land use definition, which may be what REIQ are talking to that we need. The current admin definition talks about it being 30 per cent of income, so it is broadly aligned with some of the expectations from the community, I think. I think it is difficult to apply in practice. It is difficult to apply on a case-by-case or application-by-application basis. Broadly, as planners we would like to ensure when we are doing our strategic planning that 30 per cent of housing in that area could be provided as affordable housing, but it is not a land use definition where we require it.

Mr HART: Thirty per cent of housing or 30 per cent of income?

Ms Bennetts: Sorry, 30 per cent of income.

Mr HART: Do you have any comment on that?

Ms Chessher-Brown: Obviously, again, we are unsure as to whether the state facilitated pathway will be confined to social and affordable housing, which would be interesting given the changes that were made to the ministerial infrastructure designation earlier this year which obviously provide an alternative pathway for social and affordable housing. While it is defined in the Planning Regulation, there are also six other definitions within the state government around what affordable housing is. Some clarity on what it is for certain situations in certain different typologies would certainly be beneficial.

Mr HART: I am not sure if you can answer this question, but you mentioned that there needed to be a certain level of expertise in the department. If the state is going to trump councils on planning issues, does the state have enough expertise?

CHAIR: Are there enough planners?

Ms Bennetts: I can answer that. There are certainly not enough planners.

CHAIR: I thought you would say that.

Mr HART: The Planning Institute wants more planners; who would have thought!

Ms Bennetts: The data tells us that there is a critical planner shortage, particularly in our regions. I think what we were referring to in terms of whether there is the right composition within the state government to assess is that this is local government's bread and butter. Assessing DAs is what they do. Some of the bigger councils, particularly Brisbane City Council and Gold Coast City council, have huge teams of planners that do this day in and day out. They do not just have the planners; they also have traffic engineers, landscape architects, civil engineers—all of the different people within the development sphere that are needed to assess a development application. I think if we were to start to see this state facilitated assessment process being used more frequently than the government currently assesses applications there would need to be a serious resource consideration for it to actually be an expedited process.

Mr HART: My perception is that the state is deciding whether local government is meeting its policy outcomes that it wants to achieve and then directing back to the council 'you are not achieving what we want to achieve so go and do this', and this may overcome that by the state making the decision: have I got that right?

Ms Bennetts: Could you repeat the question?

Mr HART: Sorry, it was a bit scattered. My perception—and perception is everything at the end of the day—is that state governments are sometimes seeing the policy outcome they want to achieve not being achieved by decisions of the planners in local government and are moving towards the state overriding that decision to make sure that policy objective is achieved. Have I got that right?

Ms Bennetts: If I was to summarise the intent of this, local governments currently assess applications based on the planning scheme that is in place at the time. As we have noted, the planning schemes are not able to be updated as quickly, as cheaply, as fast as local governments would like, because there is a considerable process to go through for planning scheme amendments, and so there are instances where planning schemes need to be updated and are probably out of date.

I think the intent of this process is: where there is something that is of state significance or state priority and it is for urban purposes, it could apply under a different regime which would be a first principles assessment. We heard in the public briefing that the state officers would still have regard to the planning instruments in place at the time—that there would need to be some kind of assessment against the relevant planning scheme, for example—but if there was a state interest, like housing availability or affordability, that needed a different consideration then this process sets that up. I guess we have just raised some of the issues: if we really wanted this process to unlock a considerable volume of supply, it may not have got the right balance on that; or is it more of a reserve power to be used in limited circumstances, and if that is the case will it achieve the purpose?

Mr HART: Can a local government use a TLPI to achieve that policy outcome, if that is what the council wants to achieve?

Ms Bennetts: Yes. Local government can apply to the state government for a TLPI. The Kurilpa TLPI is probably an example of that where the local government—Brisbane City Council in that case—has applied to the state government. Rather than going through the full planning scheme amendment process, they have said, 'We've got an urgent and emergent need for housing in this location,' and they have gone through a TLPI process, and the state government in that case has agreed and has granted that. That TLPI is only valid for two years so the council is needing to still go through a planning scheme amendment process to enact those provisions within their planning scheme. Often you will see TLPIs extended. That acknowledges that planning scheme amendment processes take longer than two years. Generally you will see TLPIs come out twice, and that is where both parties are agreeing to the change. When you have planning scheme amendments where there may be state matters and local matters that are needed to be negotiated, you are seeing them take a lot longer.

Mr HART: A two-year process: would that not put pressure on people to get things done, rather than an open-ended time frame?

Ms Bennetts: Yes. I think putting some time frames around the planning scheme amendment process could be a good starting point. At the moment there are no statutory time frames. There are some indicative time frames around the planning scheme amendment process, but you will find that there are some periods of time where it does sit for considerable months.

Mr HART: I look forward to reading your fulsome reports.

CHAIR: Bear in mind with TLPIs the councils can apply for another one and another one to follow that.

Mr HART: Can I ask if you have enough time to write something with regard to the time frame the committee has set?

CHAIR: That the parliament has set

Mr HART: That the parliament has set.

Mr MADDEN: Is that a question?

Mr HART: It is a question, yes. Can you write a submission in the time frame that we have given you?

Mr SMITH: That is seeking an opinion, Chair.

Mr HART: A 'yes' or 'no' will do.

Mr MADDEN: It will have to be an additional submission.

CHAIR: I do not know if this is the normal six-week period. I do not know if anyone wants to add anything to that.

Ms Bennetts: We will be providing a submission.

Mr KATTER: I have a very similar question to the question I asked before. It is probably a bit odd to ask it, because it is perhaps not in the interests of your members to advocate for this sort of position. I am very interested in food security, domestic resilience and making sure that those critical industries are in place—manufacturing, agriculture and that sort of thing. Especially in wholly urbanised areas there is a high level of tension there. My experience with, say, ACC abattoir is that there is not enough protection there for what I would see as strategic assets. The owners are saying that there is no incentive for them to reinvest here. They can see the writing on the wall. They will lose that battle eventually. I wonder how you perceive that in terms of your advocacy for your members. There will always be tensions in those spots—not everywhere, obviously, but in those unique situations. I feel from that last response from government there is still a big gap, evidenced by the fact that ACC are still where they are. I would be curious as to your response in the context of this bill as to how we address those issues going forward.

Mr Milton: We advocate for both commercial and residential agents. Any commercial property is definitely within our remit. Probably the major infrastructure project that you are going to have to deal with is the inland rail—where that ends up. That is an example of something where it still has to be decided where it is going to land, I believe. How that fits in with residential and so forth or infrastructure on the road is definitely going to be a big consideration, whether that is at the state or the federal level. I do not think that is going away anytime soon.

Ms Bennetts: I would say that your question highlights the importance of good planning and the importance of strategic planning. As planners, we have to think ahead 20 or 30 years and think about where the best locations are for a variety of land uses. Industrial land uses require sites on haulage routes on our strategic road networks. The Planning Institute advocated, as part of ShapingSEQ, the regional plan, for the strategic industrial land approach that was taken by the government. We think that is a really great initiative for there to be a region-wide plan for where strategic industrial land is needed into the future. It then needs to translate into some local strategies and plans.

In Brisbane, with places such as along the riverfront where you have milk factories and so forth, there will come a time when those sorts of uses might need to be better located in other locations. The timing of that is really critical around when you might think about some of that. That is where the strategic planning process is critical, because it is not just that we need to look at evidence but also we need to have engagement with the community, with the workers, with the landowners and take into account all of those things, including what the future needs of those industrial uses and the future industrial landscape will look like. That includes our centre zones. All other land uses need to have that long-term approach to land use planning and a strategic approach taken so that we do not make decisions today that cannot be reversed in the future.

Mr KATTER: This is probably a question for the REIQ. To me there seems to be a real deficit of addressing any of the rural solutions. I always have to try to differentiate rural from regional, because you start pulling in Sunshine Coast or Toowoomba and other areas that are different to, say, Mount Isa or Roma or Emerald. Was there any low-hanging fruit that you thought should have been in there that might have been more fit for purpose for the rural areas? This is probably way outside of it, but an example might be the first home buyer's grant to existing homes. Are there any other examples where you could see some stuff for rural areas?

Mr Milton: Probably the concern of the rural area is actually finding the people to build, I assume, at the moment. It is great that the planning laws are being expedited, but I think there is that

front-end side of things, which will obviously not be in the remit of this bill. When you talk about productivity and security and manufacturing and so forth, the regions play a big part in that, so how do we get the workers into those areas? With the energy plans and so forth that are coming up, how do we get the workers and build the dwellings for those people and also for the critical people who come in to support such as nurses, doctors, teachers? This bill obviously looks after the planning aspect but then the construction and so forth would probably need to be considered elsewhere.

Mr McDONALD: I have a quick question and I am happy for you to take it on notice, given the opportunity I think this presents. The practical situation when a development occurs is regularly that there is an expanding zone or an uplift in zoning that unlocks some equity for people to do things. I do not think this bill does that. Maybe if the urban investigation zone gave some certainty to a pathway then there may be some opportunity there. Regularly, it is rural to urban and the next minute it is times 10 and developers can do stuff. Do you have any thoughts around that and the opportunities to unlock some of that supply which this bill could provide?

CHAIR: Obviously we have ShapingSEQ, so we will take a brief comment on that, perhaps.

Ms Chessher-Brown: To summarise our position on ShapingSEQ, one of our criticisms of the plan—there are many good things about the plan, including housing choice and housing diversity and, as Nicole pointed to, the incentivisation of increasing infill. However, there is an issue of land supply. The regional plan does provide an urban containment boundary in the urban footprint. What we think the urban investigation zone does is almost instil a secondary urban containment zone. Obviously, there is a prohibition on applications outside of the urban footprint for urban uses. What the urban investigation zone does is introduce another prohibition for making an application. That is one of our key concerns. Yes, land supply is absolutely critical.

It also speaks to Dean's points about making sure that people can live close to where they work. A recent UDIA survey revealed that in many of our growth areas—Springfield, Yarrabilba, Ripley, Caloundra South—75 to 80 per cent of people who live in those communities work in the local government area or very close by in the nearby industrial corridor, so they are playing a critical role in that.

CHAIR: Before we close, Nicole and Stafford, this may be something that you want to address in your submission. You talked about the developer-led process for easement acquisition and that there is an example of how that works in New South Wales. I think we would be keen to hear a little more about that and also the online dashboard. Obviously, PD Online is good for local government, but it would be very interesting to hear if you have that process expanded to include anything that comes under this regime.

We are right out of time so that concludes this hearing. Thank you to everyone who participated today. Thank you to our Hansard reporters and the secretariat. A transcript of the proceedings will be available on the committee's webpage in due course. We do not have any questions taken on notice. I declare this public hearing closed.

The committee adjourned at 12.49 pm.