



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 M Telford—Acting Committee Secretary
Dr Kit Kowol—Assistant Committee Secretary

PUBLIC BRIEFING—INQUIRY INTO THE PLANNING (INCLUSIONARY ZONING STRATEGY) AMENDMENT BILL 2023

TRANSCRIPT OF PROCEEDINGS

Monday, 22 May 2023

Brisbane

MONDAY, 22 MAY 2023

The committee met at 12.03 pm.

CHAIR: Good afternoon. I declare open this public briefing for the committee's inquiry into the Planning (Inclusionary Zoning Strategy) 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 Mr Jim McDonald, deputy chair and member for Lockyer; Mr Jim Madden, member for Ipswich West; Mr Michael Hart, member for Burleigh; Mr Tom Smith, member for Bundaberg; and Mr Robbie Katter, member for Traeger.

MacMAHON, Dr Amy, Member for South Brisbane, Parliament of Queensland

CHAIR: I now welcome the member for South Brisbane, Dr Amy MacMahon, who will be briefing us this afternoon on the bill. The briefing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. In this regard, the public may be excluded from the briefing at the discretion of the committee. Only committee members and Dr MacMahon may participate in today's proceedings. 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 or social media pages. I ask everyone to turn their mobile phones off or to silent mode. Amy, I now invite you to provide an opening statement, after which committee members will have some questions for you.

Dr MacMahon: Thank you very much to the committee for having me along today to talk about the Planning (Inclusionary Zoning Strategy) Amendment Bill. The scale of the present housing crisis is very well documented and well known. Currently, there are 46,000 people on the Social Housing Register, which is almost double what there were in 2018. This is despite a tightening of eligibility criteria, excluding many people who had previously been eligible. There are also tens of thousands more Queenslanders homeless or in insecure housing who are unknown to the department.

According to a report published in March by Professor Hal Pawson from the University of New South Wales, it is estimated that 300,000 Queenslanders are in critical housing stress due to record low rental availability, unaffordable rents and unaffordable housing. The report estimates that the real shortfall of social housing in Queensland is closer to 100,000 dwellings, about four times the official amount.

It is clear that the current approach is not working. Since 2015, there has been a net increase in public housing of only 1,395 dwellings—about 200 per year. Compare this to earlier in the 20th century when at times as much as a quarter of all new housing in Queensland was directly built by the government. As a result of record low private rental availability and a lack of social and public housing alternatives, investors and landlords have been able to leverage the crisis to their advantage, increasing rents to record levels. Despite decades of repeated claims from governments and the real estate lobby that less government intervention and oversight and reduced public construction would mean more housing, a laissez-faire approach to the housing market has not delivered the promised increase in housing or affordability, only increased profits for developers.

That there has been a decade of record profits for developers immediately prior to the record housing crisis suggests that there has been something wrong with how the housing market has been structured in Queensland. That massive profits and continued positive outlook for developers coincides with worsening conditions for ordinary people makes it clear that there is no basis in the prolonged current approach to housing, except to benefit property developers. One Taringa resident who has already submitted to the inquiry wrote—

The average house price in Brisbane has increased by about \$200,000 in a little over three years. This is truly absurd and shows the insanity of profit-driven housing schemes. I do not believe any decent human can sit with a straight face and say that it is normal for housing to sit so far outside of the reach of workers, particularly younger workers. I am currently living in a unit block with cracked walkways, water damage and unrepaired electronics while my real estate agent is seeking a 10 per cent rent increase.

The Planning (Inclusionary Zoning Strategy) Amendment Bill would require the Queensland government, within two months of passing this legislation, to develop and introduce to parliament a further bill which implements an inclusionary strategy. The exact details of the inclusionary zoning strategy would be up to governments to develop, but the bill must include, from 1 January 2024, that 25 per cent of all new dwellings in private residential construction or subdivision projects of 10 or more dwellings or lots be transferred to the state for the purpose of providing public housing.

The Planning (Inclusionary Zoning Strategy) Amendment Bill 2023 is just one part of a broader suite of measures to combat the housing crisis. Consideration of the inclusionary zoning strategy bill should examine the bill's likely impact on housing not in isolation but when combined with other measures appropriate to deal with the scale of the crisis. This would include things like an empty homes levy, which would put a levy on vacant properties, bringing tens of thousands of properties back into the rental market; a tax on short-term accommodation like Airbnbs and similarly on undeveloped land suitable for building housing; a two-year freeze on rent increases followed by a long-term cap on rent increases; and mass public investment and building of public housing. Alongside these other measures, the bill and the resulting inclusionary zoning strategy would significantly boost the supply of public housing, allowing the government to address a number of key failings in the present system, most notably being the nearly 46,000 people who are on the social housing waiting list.

Since the introduction of the bill, there has been feedback, both critical and in support, that my office has received. Much of the criticism claims that inclusionary zoning will adversely affect developer profits and reduce the incentive for developers to bring new supply into the housing market, or claims that costs will be passed on at market price to home buyers. Some form of inclusionary zoning is present in much of Europe and North America. In the United States, there are over 800 jurisdictions with inclusionary zoning due to the various differences in the details and the implementation of inclusionary zoning between these jurisdictions. A wide range of results from inclusionary zoning programs is to be expected.

Criticism of the bill claiming that inclusionary zoning inevitably results in less housing or greater cost to those who do not qualify for affordable housing ignores the wide range of examples of inclusionary zoning and available literature that shows that well-designed inclusionary zoning works to both increase the total supply, increase the supply of affordable housing to those who need it most, and puts downward pressure on prices across the rental market.

Research by Professor Nico Calavita, an expert in city planning and housing affordability, finds that while inclusionary zoning can reduce the potential number of saleable dwellings within a development, the loss of potential earnings is transmitted primarily to land values, rather than developer profits or passed on at cost market prices for dwellings. This presents an opportunity to offset the cost of new affordable dwellings on the value of land; that is to say rather than causing a project to become unviable, well-designed inclusionary zoning causes land values to adjust as developers seek to maintain the same level of profitability while paying less for development sites. The cost of inclusionary zoning units therefore is largely borne by land bankers who buy land and hold onto it until such time there is upzone and it can be sold to a developer at profit.

Research shows that with some, but not all, instances of inclusionary zoning mandates, inclusionary zoning can reduce developer incentive to build, resulting in fewer new developments being constructed. However, this research also finds this effect is not present when inclusionary zoning and upzoning are well coordinated. When inclusionary zoning is coupled with an upzoning strategy and where demand will continue to strongly exceed supply, as is the case in Queensland, the opportunities for profit from upzoning cancel out lost profits due to mandatory contributions on inclusionary zoning stock.

While those benefiting from the existing housing system are empowered by their status, power and position atop some of the most powerful corporations and institutions in the country, it has to be remembered that their motivations are profit driven, and those who are falling through the cracks are often invisible to policy-makers. The private rental market absent a strong government hand and central planning has objectively failed. I am happy to take questions.

CHAIR: Amy, do you know how many existing public properties or Housing properties this would generate?

Dr MacMahon: It really depends on the amount of construction coming online, but we estimated, looking at the number of approvals for new dwellings earlier in the year when I introduced the bill, if that directly translated into 10 per cent of those properties then you would get about 800

properties being approved a month. Obviously, it takes a bit of time for those to come online. We have a construction boom here in Brisbane in particular. We could be getting thousands of properties right across the state.

I have one example here: Mosaic developments have 14 active construction sites across Brisbane, the Gold Coast and the Sunshine Coast. They are creating 560 new homes in the next two years. Immediately, that is 56 new public housing dwellings. It would be hard to say the exact number, but it would be safe to say it would be in the tens of hundreds every year. That is what we need to tackle the scale of the housing crisis that we have in Queensland at the moment.

CHAIR: My point is that the capacity of the state government to absorb the management and maintenance of that is quite substantial. To plan for the future, a government would need to know how many properties they are going to have in, say, the next five years. It is unknowable under this and certainly it is going to be beyond the capacity of the department to absorb the management and ownership of such a large number of properties.

Dr MacMahon: I would not say it is unknowable. I think the state government could coordinate with city councils on the number of developments that are coming online to work out how many new properties are coming online. In the past, the state government has managed a much larger portfolio of public housing in terms of a percentage of housing stock. The capacity is there. I would argue that there is a requirement for the state government to be bringing on more public housing. If that requires the housing department to expand and more staff to come online to manage that, I would say that is part of what the Queensland government has to do to respond to the housing crisis. I could get back to the committee with some estimates of how many houses might come online under this policy.

CHAIR: One of the things that struck me when reading through this is the question of infrastructure charges. A developer gifts 25 per cent of what they have created. Do they pay local government infrastructure charges on that?

Dr MacMahon: Yes. As with any development, there are requirements on the local council to be approving that and then levying infrastructure charges so that they can invest that back. We have long been arguing that the state cap on infrastructure charges needs to be lifted to make sure that you have the investment to deal with increased density in different parts of the city, but definitely infrastructure charges would apply as usual.

CHAIR: I would argue that you have a case where if they have to pay infrastructure charges on a property and they immediately gift ownership to another body then they have no way of recouping that.

Dr MacMahon: As I outlined, from the research that we have been looking at in most of the cases what happens is that the inclusionary zoning policy puts downward pressure on land values. The cost of development remains the same. The people who are losing out are the land bankers because ultimately this puts downward pressure on land values. Developers are still making a commensurate amount of profit but basically recouping that from land values.

CHAIR: Still, it is an enormous thing to say to developers, 'You have to gift a quarter of your income away after you do a project.'

Dr MacMahon: It certainly is, yes.

CHAIR: That is enormous. That could be passed on in higher prices or lesser product coming on.

Dr MacMahon: From the research that we have looked at that has not necessarily been the case. I think this is a huge requirement for property developers. I would say this is part of the cost of doing business in Queensland and the kind of strategy that you need to deal with the scale of the housing crisis that we have before us. It is also worth remembering that developers often argue that increased supply will bring down prices and will deliver affordable housing, but it has never been the case. We have seen huge amounts of development happening in West End, for example, and rents have only ever increased. Developers have for so long argued that they are part of the solution and it has never actually materialised. Here is their opportunity to actually be part of the solution.

CHAIR: Have you consulted with any developers in creating this bill?

Dr MacMahon: No. I have just consulted with people who are at the pointy end of the housing crisis about what they need to make sure that everyone has a home.

CHAIR: There is a bit of a hole because you have not consulted with the group that would essentially bear the burden for delivering this.

Dr MacMahon: Yes, that is accurate. We have lots of property developers around West End. They are all reading my strategies and reading our policies. In fact, what we hear is that the sector knows that something like this is coming. The state government already has a policy around this for public land and developers can see that there are many other jurisdictions in other parts of the world that are bringing online inclusionary zoning and they know that something like this is coming. This has been talked about at a council level and the state government level for many years. In some form, an inclusion zoning strategy will be implemented in Queensland. I think developers know that and they will be factoring that into the cost of doing business in Queensland.

CHAIR: I have many questions but I will move to the deputy chair.

Mr McDONALD: Amy, in terms of the inclusionary zoning, is it proposed that that applies right across the state or will there be geographic areas where it would apply?

Dr MacMahon: The idea is that that would apply right across the state. The reason for that is we have looked at other jurisdictions and when you have piecemeal approaches in particular areas you do end up getting some perverse outcomes where developers want to be focusing on those areas that are outside of zones which would include inclusionary zoning. A way to get around that kind of perverse outcome is just to have the supply right across the state and make sure that every part of Queensland is benefiting from the inclusionary zoning strategy and we are getting a public housing mix right across the state so that wherever there is development going on there is public housing coming online.

Mr McDONALD: At the start of the explanatory notes it mentions that this policy needs to incentivise developers to be able to deliver. So far I have not found any incentive from what you have briefed the committee on. Could you outline to us what that incentive is?

Dr MacMahon: We have not included any incentives in this strategy but that is not to say that in the strategy that the government develops there would not be incentives included. Lots of other jurisdictions include things like a density bonus, saying to developers, 'You can have a little increase in density', relaxing other kinds of planning requirements or fast-tracking approvals where you have inclusionary zoning. There are lots of examples of these kinds of incentives in other places. The research that I referenced earlier from Professor Calavita also demonstrated that when you have those incentives in place the flow-through effect on land values is not there anymore, but when there are any direct financial incentives then developers have to find a way to bring down the costs. They are bringing down the costs by negotiating harder with people who are selling land and bringing down those land values. I would argue that that is something that we need in Queensland, right across the state. The high cost of land is a huge barrier to bringing online new supply. Any kind of strategy that helps bring down land values would be a benefit right across the board, I think.

Mr McDONALD: What is the modelling that you are relying on about reducing those land values? It would seem to me that the reason they would be reduced is because of the risk to the developer and the potential yield reducing significantly and thus driving the value down.

Dr MacMahon: I can provide the committee with the research paper that we have drawn on, Professor Calavita's work.

CHAIR: We have the links to both of those.

Mr McDONALD: Finally, Dr MacMahon, I am concerned about the transfer of 25 per cent to the state. We all support affordable housing and models around that. I support the community housing schemes and build-to-rent type models. Why does this bill cause the 25 per cent to be handed over to the state? In my experience, you are better off with these houses in a rental pool run by real estates and coming back to market very quickly. There are six properties in the town of Gatton that are currently not rented because of hold-ups.

Dr MacMahon: Public housing that is not rented? Okay. I would say that sounds like a failure on the state government to be getting people in there.

Mr McDONALD: Thus my concern about these being transferred to the state to manage as opposed to being in a rental pool.

Dr MacMahon: Our underlying approach to this has been that the increased public housing stock in public hands is a long-term benefit for any government. When you have a big enough stock of public housing, when you are getting up to, say, 20 per cent of your housing stock being public housing, this becomes a revenue-generating asset for the government and you have all those public

benefits flowing back in that are solely for public benefit. There is no incentive for profit. There are no investors who are waiting for a return. It is solely for public benefit. That has been our overall approach and why we focus so heavily in this bill and others on public housing, specifically to avoid the risk.

Let me give the example of the NRAS scheme. We had thousands of properties online with an incentive that went to private property owners and private developers. We had all these properties that people were able to live in affordably but, because they were not owned by the state, when the federal government pulled the pin they all just got folded back into the private property market and they are not affordable any more. That is what we are seeing with a lot of people who are having to leave those properties because they will not be able to afford them at market rents anymore. This is why having a big stock of public housing is important and it is in public hands so that you do not risk losing it down the track.

The government has the benefit of public housing sites that are being redeveloped and upzoned right across the city at the moment. This is the benefit of having assets in public hands, right? We get those benefits coming back to the community. That is not to say that a proportion of these homes could not be allocated as community housing, for example, and be run by community housing providers or social housing providers.

Mr SMITH: Amy, I want to ask a couple of questions to get clarity in my mind. The 25 per cent would only apply to a project with 10 or more dwellings; is that correct?

Dr MacMahon: Yes.

Mr SMITH: If there is a duplex or a project of four, that does not apply?

Dr MacMahon: Yes.

Mr SMITH: A concern I have is that obviously in Bundaberg you do not get a lot of 10-plus dwelling projects. Does this have the potential to risk centralising development in our major capital cities and not providing the support for our regional centres?

Dr MacMahon: I guess that could be an outcome. I do not think that kind of small-scale development in Bundaberg will be there forever. Eventually down the track there will be more density coming into all sorts of regional centres right across Queensland. Also, a lot of big subdivision developments are coming online in lots of regional areas. We were all up in Cairns a couple of weeks ago and there are big housing developments outside of the city that are being planned. All of those will be coming online. I think there is potential for some concentration in some of our bigger urban centres in the early years of this scheme coming on board. That is also where the most need is at the moment. We have these big urban centres with very acute levels of housing stress and the need for people to be close to services, close to hospitals, close to their communities as well. One of the benefits of this is that you allow people to be able to live in areas of high service and high opportunity—for low income families. That is definitely a potential risk and I think it is something to be live to.

Of course, this would go alongside the government's own investment in public and social housing. Maybe one of the elements of this strategy is to identify areas that are getting a particular concentration and making sure that the government investment in public housing is happening in those areas outside of where inclusionary zoning might start to be active.

Mr SMITH: We are talking about public housing so I imagine it is social housing only and not affordable housing?

Dr MacMahon: No. As I mentioned earlier, we are focusing on public housing because this is a public asset. The definition of 'affordable' can change. If it is 75 per cent of market rents, for example, market rents at the moment are still extremely expensive so that does not necessarily make a place affordable. There are many other jurisdictions that do include affordable rentals or properties that are sold at a cheaper price. There are different approaches to how you do inclusionary zoning. Our focus on public housing has been based on looking at a kind of European-style model where you rapidly increase your stock of public housing and this becomes a revenue-generating asset for the government.

Mr SMITH: This is slightly on the topic raised by the member for Bancroft, although he was more focused on land: if you have a 10-dwelling project and three are gifted away, the cost of constructing those three dwellings still applies to the developer to make sure that they pay the contractor. If you have to gift three out of 10, why not just build an eight-dwelling project? Is there a risk that we will start to see developers undercutting to try to get through a loophole and, therefore, just delivering eight projects? Is that what the subdivision element is, to try to stop measures like that happening?

Dr MacMahon: I guess developers could decide to do that, but they could also decide to go to 12 storeys and build even more properties to recoup potential costs. It is a potential risk to be alive to, but if you are folding in incentives around being able to get some increased density, for example, or other kinds of relaxation on different kinds of planning approaches, that incentive falls away. That relies on the argument that inclusionary zoning slows down the rate of supply, but there is plenty of research from other jurisdictions that shows that it has not slowed down the amount of construction coming online.

Developers want to do business in Queensland. With the Olympics coming, there is a huge amount of development coming. In my electorate alone we probably have a dozen big commercial sites that are for sale that are all tagged with 'build in the Olympics precinct'. People want to do business in Queensland. They know that there are people moving to Queensland. They know there is money to be made. A lot of these big construction companies have not slowed down at all, even when other parts of the sector have.

I do not see developers wanting to find a way to game this. They want to be able to do business in Queensland. A lot of these developers say they want to contribute to affordable housing and they want to give back to the community, and a lot of developers do that in various ways. This is a way of mandating that they do that. They will just have to factor that into the cost of doing business.

Mr SMITH: As a thought-provoking comment to that, perhaps that is why making it affordable housing and not just social housing would provide incentive to developers. They would then know they can get some rent in the future, but we will have a chat after this. Have you consulted with the department around how this could impact the QuickStarts and HIF programs in terms of developers getting a capital incentive from the government to construct? Does this then knock out those projects of over 10 dwellings because the government is going to take it anyway, so what would be the point of the department putting capital investment into something that they are going to gain anyway as a consequence?

Dr MacMahon: That is a great question. I do not have ready access to the department, unfortunately. My answer is: no, I have not consulted with the department around this. My understanding is that there are not many big property developers that are bidding for the HIF. I could be wrong, but it is my understanding that different investor pools are looking at that community housing that have access to superannuation funds and so on, but I could be wrong.

Would this create a disincentive? The HIF is a very different model. It is essentially providing a subsidy for these developers to provide community housing specifically. Would it create a disincentive? I think they are just very different approaches and it is different kinds of people who are engaging in this. I do not think the likes of Pradella, Aria and Mosaic are bidding for the HIF. They are just going for big developments in different parts of Queensland and definitely around Brisbane. I could follow up on that and try to get some of the info about who is going in for the HIF. I will take that on notice.

Mr SMITH: And the QuickStarts. Wonderful, thank you.

Mr HART: You mentioned Mosaic a couple of times. I think they have a couple of developments in my electorate. It may be different in Brisbane, but their units tend to cost between \$2 million and \$3 million a unit, and your bill calls for equality in the units. Do you think \$2 million and \$3 million units are appropriate for public housing?

Dr MacMahon: Absolutely. People in public housing deserve to live in beautiful places just like everyone else. One of the requirements we have put in the bill is that the public housing dwellings are finished to the same quality and standard as other developments in that unit block and that from the outside they are not concentrated in one particular area. Yes, definitely. Why not?

Mr HART: I do not disagree, but with 75 per cent of market value, surely that would price most people out of it. Because they are \$2 million and \$3 million units, they are going to be very expensive to rent. If you take 75 per cent of that, is that going to be feasible for a public housing situation?

Dr MacMahon: People in public housing pay a proportion of their income rather than a proportion of the rent of the property.

Mr HART: Will that not make the whole development uncommercial?

Dr MacMahon: Public housing is not commercial so—

Mr HART: No, but property development is.

Dr MacMahon: Yes, but we are saying that as a requirement of them building that property, if they want to build a block of \$2 million apartments, then they have to include public housing in it. Maybe they will make a decision to make that whole block a bit more affordable, be building properties that are more accessible to everyone. In fact, I think that would be a benefit because we are seeing lots of these luxury apartments coming online. They do not contribute to addressing the housing crisis in any meaningful way.

Mr HART: Do you think that they may just decide not to build at all though?

Dr MacMahon: As I said before, developers want to do business in Queensland. I do not think something like this would be a huge drag on them. I am sure that the real estate industry would argue that and property developers would argue that. Of course, they are going to because their main motivation is their underlying profit. If this comes online, people will start to factor it into the cost of doing business, as we have seen in many other jurisdictions around the world.

Mr HART: In terms of the inclusionary planning zones that you looked at around the world, do any of them transfer that stock back to the state?

Dr MacMahon: There are very different models in different places. It varies wildly from city to city as to how—

Mr HART: Do you know of any that do?

Dr MacMahon: Not off the top of my head. Developers make huge amounts of money. They continue to make huge amounts of profit, even during COVID. They can weather this. They definitely can.

Mr HART: Can they? Are you sure?

Dr MacMahon: Yes, I am absolutely certain. If they know that this is coming—and, in fact, a lot of developers anticipate that something like this is coming; this is already Queensland government policy in some form. Something like this will come online down the track and developers will adjust accordingly.

Mr KATTER: I might have missed a few things here. Do these planning instruments—take Brisbane hypothetically—go across all of the Brisbane area or do they exclude established areas? Are they just focused on those developing urban areas?

Dr MacMahon: No, any development over 10 dwellings.

Mr KATTER: You sort of answered this before, but my mind is jumping to how this would work in a practical sense. Do all the units have to be homogenous throughout a development? Say if I am trying to maximise my profits, I cannot say, 'I am just going to reconfigure these to two-bedroom stock and offer those as public housing and I will do the rest as three and four-bedders'?

Dr MacMahon: What we have put in the bill is that they are finished to the same quality.

Mr KATTER: Configuration or quality?

Dr MacMahon: Configuration—we have not spelt that out specifically in the bill. I guess developers could be looking at that.

Mr KATTER: You know where I am going with that?

Dr MacMahon: Yes.

Mr KATTER: I am just curious as to how this would work.

Dr MacMahon: Most developments have a mix of different sizes of properties already because they want to be able to tailor to different kinds of people. That would be included. They might decide we will have some of these properties of this size.

Mr KATTER: If they were the lowest yielding ones that I would be expected to include, I would reconfigure those—I imagine there would be all sorts of clever ways—

Dr MacMahon: If that is a perverse outcome from the bill, we could do an amendment to make sure the size of those properties is looked at and that it is consistent.

CHAIR: The explanatory notes state that it should not be treated as a compulsory acquisition. If we are enforcing the gifting of property without compensation, how could this not be seen as compulsory acquisition? As such, it would trigger a whole range of fundamental property rights.

Dr MacMahon: This is just baked into the zoning. If you want approval to build something in Queensland this is what you would be required to do. Essentially, those properties are in state hands as soon as they start to be built because they will eventually end up with the state government. The government is not paying money for this. They are not acquiring these financially.

CHAIR: I think that is going to be the issue. There will be a whole raft of legal precedents triggered which would enforce composition and, therefore, the state to buy them.

Dr MacMahon: Property rights are included in the Human Rights Act but a right to housing is not. With any piece of legislation we are balancing different human rights. If the outcome is that there is some pressure on property rights in exchange for expanding access to housing, I would say that is an argument that the government can make. You put that in your statement of compatibility; you acknowledge that that is an outcome. Having our focus on making sure that we have enough public housing stock for the scale of the crisis we face at the moment would justify any kind of pressure on property rights.

CHAIR: Before I go to the member for Bundaberg, you talked about an incentive for developers to increase density. Would that include the ability to override the need for public consultation—the increased density—and do you override the right of people to object?

Dr MacMahon: No, I do not think so. I think this would be embedded in the planning scheme at the moment. People can make public comment on any developments at the moment and it means nothing. In terms of public comment at the moment we have a planning system that really does not consider any kind of public consultation in any form. People are writing submissions on all sorts of developments and the outcomes are exactly the same: the developers get what they want.

I think a lot of neighbourhoods know that density is coming. In my neighbourhood in West End there has been a lot of angst and it has mainly been around not so much density but the fact that there has been no investment back into public infrastructure and so the schools are overcrowded, the roads are really busy and we have really limited green space. We have a lot of people competing; there are bits of parkland being used for lots of different uses. I think that has mainly been people's concern. When people say, 'We're worried about this density,' it is because their experience of density has been very poor because there has not been that investment back into their community. We have argued that if you are going to densify a neighbourhood you need to have all this investment back into it.

I think you would still have opportunity for public comment. In my neighbourhood—and I am sure in many other electorates—people definitely understand the need for more public housing. I think people would understand we would get all these great benefits from all these people living in our neighbourhood—benefits to local businesses and across-the-board downward pressure on rents and house prices as well, which I think would be a net benefit for everyone. I think that is a longer conversation around how we make sure the planning system appropriately considers the feedback from local communities, which it does not do at the moment. We are not making any amendments to the planning scheme in this bill. We are assuming that all those systems remain the same.

Mr SMITH: The member for Burleigh spoke about million dollar units and apartments and so forth—and I grew up in Beenleigh, so I am happy for everyone in Beenleigh to live in million dollar apartments to be honest; they are good working-class people. Is there scope in this bill for the government to opt out because of the cost of ongoing maintenance? For instance, we do not want to keep replacing marble floors all the time. Is that something that could be a scope moving forward, that the government does have an option to opt out because the potential maintenance costs would be excessive and that would be better funded back into Housing Strategy approaches?

Dr MacMahon: The risk there is that developers might lean into more luxury apartments and really expensive fittings as a way of getting around this. Maybe in the bill there needs to be consultation with the state government about the design and finishings of the dwellings that will be public housing so they can factor that into maintenance and make sure they are accessible and meet other kinds of state government requirements. I think anything that lets developers opt out diminishes the strength of the approach. The strength of the approach that we have here is that it is a blanket approach across Queensland. Developers cannot weasel their way out, as we see in other parts of the world where this is just in specific areas or applied to specific developers. In fact, those schemes that have been most successful in different parts of the world have been those that are applied right across-the-board and to large geographies.

Mr SMITH: This legislation will force the minister to create legislation within two months. Are you aware of examples of other legislation that compels legislation within a time frame?

Dr MacMahon: Not off the top of my head. As you would know, the crossbench are quite constrained in the way that we can write legislation. Our proposal here is for the development of a strategy which gives the government more time to do consultation, to work out some of these details to make sure that this policy is unique to the Queensland situation and attends to the needs of the housing system we have here in Queensland. Governments often write strategies and this is one way of having inclusionary zoning coming online, coming out of a strategy. No, I cannot think of any legislation that then compels the government to write more legislation. That is not to say it does not exist. I can definitely have a dig around.

CHAIR: The time for the briefing has expired so that concludes the briefing. Thank you very much. Thank you to Hansard. Thank you to our committee secretariat. We have a couple of questions on notice. We will email those through to you, but if we can have a response by Monday, 5 June that would be good.

The committee adjourned at 12.47 pm.