



Speech By  
**Michael Berkman**


**MEMBER FOR MAIWAR**

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**PLANNING AND OTHER LEGISLATION (MAKE DEVELOPERS PAY)  
AMENDMENT BILL**

**Introduction**

 **Mr BERKMAN** (Maiwar—Grn) (12.30 pm): I present a bill for an act to amend the Planning Act 2016 and the South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 for particular purposes. I table the bill, the explanatory notes and a statement of compatibility with human rights. I nominate the State Development and Regional Industries Committee to consider the bill.

*Tabled paper:* Planning and Other Legislation (Make Developers Pay) Amendment Bill 2023 [1891](#).

*Tabled paper:* Planning and Other Legislation (Make Developers Pay) Amendment Bill 2023, explanatory notes [1892](#).

*Tabled paper:* Planning and Other Legislation (Make Developers Pay) Amendment Bill 2023, statement of compatibility with human rights [1893](#).

I am introducing this bill, the 'make developers pay' bill, because neither of the major parties will. Labor and the LNP have proven that they are incapable of taking on big developers, even when those developers are making housing more expensive, putting workers at risk, leaving subbies and homebuyers out of pocket, or making off with massive profits, all while infrastructure is stretched and underfunded in communities across Queensland. This bill is a first step to addressing that last issue, by removing the state imposed cap on the infrastructure charges that councils can levy on developers.

Infrastructure charges are one of the few ways councils can make developers contribute towards the things that growing communities need. They fund pedestrian crossings, parks, flood mitigation, public transport, community facilities and services. It makes sense that if a developer is able to come in and make a profit building in the area they should give some of those profits back to the community. Of course, councils, being the ones tasked with delivering this new infrastructure, are best placed to determine the appropriate charges. In 2011, Queensland Labor introduced new powers for the state government to regulate a statewide cap on those charges. Only Victoria and New South Wales have a similar cap. Where did this brilliant idea come from, you might ask? There are no points for guessing, because, of course, it came from the development lobby. The change came off the back of significant cuts to state government funding for local infrastructure projects after the capital works subsidy scheme was scrapped in 2008. Council started increasing their infrastructure charges to make up the difference and developers were none too happy about that.

According to Adjunct Professor Bruce James, groups like the Property Council vigorously lobbied the state government to step in and cut infrastructure charges until they eventually established the infrastructure charges taskforce, which ultimately recommended a set of maximum infrastructure charges. Keep in mind, though, that this was before we banned developer donations in Queensland. Labor and the LNP were at that point still taking hundreds of thousands of dollars in donations from property developers every year. Of course, they still take them at the federal level, and the LNP has made good use, I might add, of the loophole that allows related parties—for example, someone who is

the sole shareholder of a developer—to donate to their campaigns. I can only assume that Labor still refuses to close that loophole because it also wants to keep its options open, just like it has not banned cash-for-access meetings because it reaps the benefits of these functions—a lazy \$10,000 a ticket for Labor's 'business forum'.

I come back to the new cap on infrastructure charges. There is a direct link between the major parties' deals for developers and underfunded public services and infrastructure. We now have a system where regulated and adopted charges for infrastructure are divorced from the actual cost of building things like footpaths or parks, so as the cost of land and infrastructure has increased councils have struggled to keep up, and that bill increasingly falls to ratepayers. In Brisbane over the last five years, infrastructure charges have increased by less than 13 per cent while cumulative inflation has surpassed 19 per cent. In fact, just two years ago, Lord Mayor Adrian Schrinner agreed that caps on infrastructure charges were preventing council from building enough infrastructure to keep up with the growing population. However, unsurprisingly, he did an about-face on that this year, with the LNP council scrapping some of their crown jewel infrastructure projects to pay for cuts to infrastructure charges. Their brutal \$400 million cuts include ditching shade on the Victoria Bridge and 'indefinitely pausing' the Toowong to West End Green Bridge, which was originally proposed by the Greens but finally adopted as an LNP promise ahead of the 2020 council elections.

When the LNP announced these cuts, they were careful to focus squarely on the increased construction costs. They were, however, conspicuously silent about their decision to cut infrastructure charges just a couple of months earlier. Labor voted for that tax cut for big developers on the floor of council, and the Greens were the only party to oppose them. The LNP was only too happy to parade about the promised bridges, to boost their green credentials in seats that also happened to be under significant threat from the real Greens, but, when push comes to shove, they would rather give developers a tax cut than deliver new infrastructure for the community. They are running a protection racket for developers, and I am frankly shocked that Labor in council is sitting idly by and letting them do it.

This bill is a line in the sand. It is time big developers paid their fair share. Here is the thing: if costs have increased, that is exactly when infrastructure charges should be raised to cover them, but we have these laws at the state level that separate the real infrastructure needs of a council and a community from the charges that can be levied. Before the developer-loving members of this chamber start running the Property Council's talking points about how high infrastructure charges will reduce supply and make the housing crisis worse, let's just focus on a few facts. Developers already charge the highest price they can get away with. If they could charge, say, \$10,000 extra per home today, they would already be doing it. They charge the maximum the market will pay, which includes holding back housing supply to keep prices artificially high, which we already know they do, routinely. If house prices were really determined by the costs to developers instead of the market then no developer would ever go bankrupt or lose money.

In reality, economic research shows that infrastructure charges are not generally passed on to homebuyers. They are borne by developers, reducing their profit margins, which is why developers argue so strongly against them and why they will, no doubt, kick and scream so vocally about this bill. Both major parties have swallowed all of the property industry lies hook, line and sinker, and they parrot them verbatim on a regular basis. The industry propaganda about incentivising supply is nauseating. They slash planning regulations and offer generous tax breaks for build-to-rent projects that do not guarantee a single affordable home, while rents and mortgages continue to go up. They have privatised housing supply so completely that big developers control how fast new housing is built and at what price it is rented or sold. If they actually wanted to make housing affordable, they would build more public homes, they would ban unlimited rent increases, and they would introduce a vacancy levy.

To solve an affordable housing crisis, you need to build affordable homes, not luxury penthouses. Labor and the LNP apparently cannot do this because they are not just beholden to the property industry; they are the property industry. They profit from their multiple investment properties and host luncheons with the REIQ now and accept lucrative board and lobbying positions upon retirement. The Greens, on the other hand, are the only ones willing to stand up to the property and development lobby and put ordinary people and our neighbourhoods first.

My colleagues who are looking to kick out the LNP in Brisbane City Council will no doubt have more to say between now and March about making developers pay their fair share. We obviously would scrap the developer tax cuts and reinstate projects like the green bridges and the shading on the Victoria Bridge. We need to prioritise better public transport, parks, bike lanes and community facilities as our communities grow. That cannot happen unless big developers are made to pay their fair share.

By removing the cap on infrastructure charges, we pave the way for councils to charge developers properly for the things our communities need. We could get big, city-shaping projects built much more quickly, including finally getting on with the Toowong to West End Green Bridge. We could make sure that new apartments are matched with new green space for those without a backyard. We could clear the huge backlog of overdue pedestrian crossings and footpaths that make our suburbs safer for kids and pedestrians. We could give residents in growing medium- and high-density neighbourhoods more services within walking distance to make living without a car a real option. In my local area, that includes a public pool for Toowong, a high-frequency bus on Swann Road, or new libraries with meeting rooms as community spaces are increasingly hard to find.

This bill is a line in the sand. It is time that we removed the cap on infrastructure charges so that councils have flexibility to charge developers for the real cost of building infrastructure as land values and construction costs rise. It is time that big developers paid their fair share.

### **First Reading**

**Mr BERKMAN** (Maiwar—Grn) (12.40 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

### **Referral to State Development and Regional Industries Committee**

**Mr DEPUTY SPEAKER** (Mr Krause): In accordance with standing order 131, the bill is now referred to the State Development and Regional Industries Committee.