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Legislative Assembly
of the Northern Territory
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PLANNING AMENDMENT BILL 2020

Thank you of the opportunity to provide the following comments in regards to the *Planning Amendment Bill 2020*.

HIA is committed to working with all sectors of government to support a regulatory environment that facilitates all facets of a good planning system that is a planning system that facilitates growth in the economy, reduces red tape, and enables the delivery of affordable housing.

About the Housing Industry Association (HIA)

The HIA is Australia's only national industry association representing the interests of the residential building industry, including new home builders, renovators, trade contractors, land developers, related building professionals, and suppliers and manufacturers of building products.

As the voice of the residential building industry, HIA represents a membership of 60,000 across Australia. HIA members are involved in land development, detached home building, home renovations, low & medium-density housing, high-rise apartment buildings and building product manufacturing.

HIA members comprise a diversity of mix of companies residential builders, including the Housing 100 volume builders, small to medium builders and renovators, residential developers, trade contractors, major building product manufacturers and suppliers and consultants to the industry. HIA members construct over 85 per cent of the nation's new building stock.

HIA offer the following comments on the following particular clauses of the Explanatory Statement:

- Clause 4. Section 2A replaced

HIA supports strategically led planning, this is stated in the attached HIA Policy: Principles of a Good Planning System, Item 6.

However, HIA is concerned that *needs of the community* are stated in this explanation though the explanation is silent on the needs of industry. HIA consider it is important that legislation, regulation and policy equitably acknowledge all stakeholders and in particular the important role industry plays in facilitating development that is socially, economically and environmentally important to the Northern Territory community.

- Clause 5. Section 3 amended (Interpretation)

HIA submit the Act must also have a commitment to infrastructure being provided in a timely and efficient manner, and the means in which this can be measured.

- Clause 7. Section 6A inserted

The third dot point of Section 6A would benefit from adding (at the end) the words *in consultation with community and industry*

- Clause 9. Section 13 replaced

Similar to comments made in the second paragraph under Clause 4 HIA consider industry confidence also needs to be improved and therefore industry should also be specifically mentioned as is community.

- Clause 42. Section 68 replaced
- Clause 43. Section 69 amended (Content of Contribution plan)
- Clause 44. Section 70 amended (Contribution towards car parking)
- Clause 45. Section 71 amended (Contributions payable)
- Clause 46. Section 72 Replaced

HIA request clarification with regard to these replacement / amended clauses. Levies and charges applied to development to cover physical and social infrastructure significantly affect new housing affordability. They are in effect a tax on new homebuyers.

Attached is HIA Policy: Infrastructure Charges and Levies on Residential Development

HIA would appreciate the opportunity to engage further with the Northern Territory government to better understand the impact these replaced and amended sections may have on industry and ultimately housing affordability.

In addition to HIAs policy position, stated in the attached policy, it is important to industry that in instances where a development / contribution plan does exist that the administration, management and legislative requirements are clear, transparent and accountable in public documents that are easily accessible.

- Clause 51. Section 81d replaced

HIA support the amendment of this section as outlined.

- Clause 53. Section 81L amended (Community Consultation)

Similar to comments made in the second paragraph under Clause 4 HIA consider industry engagement is equally important in terms of consultation and engagement and therefore industry should also be specifically mentioned as being involved relevant communication / engagement activities.

- Clause 61. Section 89 replaced
- Clause 62. Section 91 replaced

HIA request clarification with regard to these replacement clauses – Could a community member be an industry representative or a staff and or member of an industry association?

If this is permissible and or intended to be encouraged by such replacement clauses HIA submit this must be clear and transparent in the legislation.

- Clause 79. Section 135 inserted

HIA support the amendment of this section as outlined. Clarity around processes and procedures is important to all stakeholders and in addition whatever form the processes and procedures take, guidance documents etc., they must be accessible and written in plain English so as to be understood by all.

- Clause 82. Section 139A inserted

HIA support the Section 139A insertion. It is important that planning systems are contemporary and modern. Progressive moves such as this should be seen as an opportunity to better manage assessment and determination processes and compress decision making timeframes to an absolute minimum to ensure developers / builders holding costs and many other expenses associated with waiting for a decision are managed as efficiently and effectively as possible.

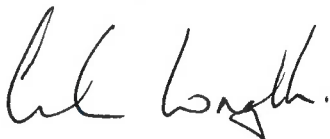
- Clause 84. Section 148 amended (Regulations)

Whilst the intent of the amendment is understood HIA does have serious concerns about the significant increase in penalty units. It is important that the Northern Territory government consider the impacts and manage this pragmatically and with sensitivity to the current economic climate and consider if it is necessarily reasonable that the Northern Territory must be on par with other State and Territory jurisdictions. The significant increase in penalty units as proposed will most definitely be dire for industry.

HIA consider thorough consultation with industry prior to this being introduced is essential and that an improvement to this proposal would be a well-managed and consultative transitional approach with greater focus on education and a warning system and a staged increase in penalty units over several years should the Northern Territory still consider it is necessary to be on par with other State and Territory jurisdictions.

Please do not hesitate to contact myself on (08) 8995 6303 or alternatively a.wright@hia.com.au should you require anything further or wish to discuss matters raised in this correspondence.

Yours sincerely
HOUSING INDUSTRY ASSOCIATION LIMITED



Archie Wright
Executive Director – Northern Territory

Summary of Attachments, HIA Policies:

- Principles of a Good Planning System
- Infrastructure Charges and Levies on Residential Development