



Seizing the Opportunity for Growth: Foundations for Tomorrow's Canberra

ACT 2024 Election
Platform





Contents

	Executive summary	01
01	Putting the property sector at the heart of housing solutions	02
02	Smart policies for a more sustainable, energy efficient, all-electric city	04
03	Delivering essential transport and events infrastructure for city growth	05
04	Prioritise Civic, and bring vibrancy back to the Nation's Capital	06
05	Tax reform for a fairer, more balanced regime	08

Executive summary

The Property Council of Australia is the leading advocate and biggest employer for the nation's largest industry. In the ACT, the property sector accounts directly for more than \$4.5 billion in economic activity, a further \$2.1 billion indirect, and one in seven jobs.

Property is the beating heart of the ACT's success across all measures – in 2021–22 the sector contributed \$798.7 million of the ACT Government's \$1.8 billion tax and royalty revenue – almost 45 per cent. Just as it does today, the success of 'Tomorrow's Canberra' depends on the success of property, development and the built environment.

This is even more stark when factoring in the ACT's population boom, an almost 60 per cent increase from 453,000 to 784,000 by 2060.

The October 2024 election presents a critical opportunity to lay strong policy and financial foundations for that growth.

But this is about more than just numbers and issues. This is about seizing the opportunity, acting with urgency, to lay the foundations for a Canberra of which we can be proud, and for which future generations will thank us. It's about creating an environment where our kids, and theirs, and theirs can thrive.

The Property Council of Australia, with its extensive national network of 2,500 members, is on the frontline of this work. Our members have developed a clear set of strategic actions – for housing, balanced taxation, vibrancy and nightlife, sustainability, and infrastructure.

These actions build on our existing contribution and are designed to unlock the ACT's latent opportunity, leveraging the power and potential of property to further enhance the lives of all those who live, work and play in our great Territory:

- 01 Putting the property sector at the heart of housing solutions**
- 02 Smart policies for a more sustainable, energy efficient, all-electric city**
- 03 Delivering essential transport and events infrastructure for city growth**
- 04 Prioritise Civic, and bring vibrancy back to the Nation's Capital**
- 05 Tax reform for a fairer, more balanced regime**

But we must act now. It's time to pull the right levers for housing, create the right tax settings, and put property at the heart of 'Tomorrow's Canberra' for all the generations to come.

We urge all major parties to endorse this Election Platform.



Gino Luglietti

Interim Executive Director,
ACT and Capital Regions
National Director of
Government Relations



Phil O'Brien

ACT Division President

01 Putting the property sector at the heart of housing solutions



The issue

The ACT has the fastest growing population in the country, set to grow to approximately 784,000 by 2060, with significant pressure on housing affordability already apparent.

Median house prices have almost doubled to more than \$1 million between 2011 and 2023 (Neoval).

Population growth is good as long as it is matched with a strong and stable pipeline of new housing supply of all types, from build-to-own, retirement villages, purpose-built student accommodation, and build-to-rent, so that everyone has access to quality and affordable housing to suit their needs and their stage of life.

The solution

01 Unlock 60,000 new homes with sensible residential zoning reform.

Encourage more 'gentle urbanism' and address the housing needs of the 'missing middle' by increasing density by expanding RZ2 in areas close to public transport and other local amenities, to allow for more diverse housing – duplexes, terraces and more – and create the opportunity for up to 60,000 more homes.

02 Fix ACAT processes to provide certainty and reduce delays to housing supply.

- Ensure timely decisions around appeal requirements – make the timeframes certain and shorter.
- Instigate fixed timeframes for hearing decisions.
- Consider limiting third party appeal rights and allowing Lease Variation Charge determinations to be decided by the President of the Australian Property Institute, or another independent third party.

03 Meet development application timeframes.

- There remains a critical need to improve performance timeframes and quality of decisions of complex Development Applications (DAs).
- The Chief Planner must exercise his powers to approve decisions which may be inconsistent with other government entity advice if it achieves a superior planning outcome.
- Commit to publishing more data on performance.

04 Provide the National Capital Design Review Panel (NCDRP) with more resources.

Reduce timeframes and take a more strategic approach to housing. This includes reducing delays for meetings and addressing housing options.

05 Fast track strategic residential projects.

Provide a streamlined and fast-tracked DA approval process for key strategic residential projects including innovative housing proposals.

06 Allow more land release under englobo and joint venture arrangements.

Establish a representative committee for Environment, Planning and Sustainable Development Directorate (EPSDD), Suburban Land Agency (SLA) and industry to identify and monitor the release of land.

07 Further support build-to-rent in Canberra.

Continue review and development of a planning, lease variation and rates system that supports the provision of build-to-rent housing:

- Develop specific definitions within the Territory Plan and Design Guidelines for build-to-rent to encourage further investment and development.
- Remove rental caps for developments that meet the characteristics of institutional-grade build-to-rent.
- Apply residential rates instead of commercial rates to institutional grade build-to-rent still premised on long-term residential use.
- Adopt an appropriate planning framework suitable for institutional-grade build-to-rent, not simply mirroring normal build-to-sell developments.

08 Ensure ageing in place, retirement villages and seniors living are addressed with the housing solution.

- Establish a target for senior housing, including retirement villages. Set land release targets for existing and greenfield development, considering that seniors predominantly wish to age in place in their existing community.
- Give additional consideration to Lease Variation Charges remission and planning incentives that recognise the commercial viability of seniors living, including, but not limited to retirement villages.

09 Local centre reinvestment.

Facilitate greater urban consolidation in local and group centres and encourage mixed use development and greater densities in single storey existing development with underutilised on-grade car parking and open space.



02 Smart policies for a more sustainable, energy efficient, all-electric city



The issue

The ACT is at the leading edge of the transition to Net Zero. Property has a significant role to play – the built environment accounts for more than 50 per cent of Australia’s electricity use and almost a quarter of emissions.

Smart policies to make buildings more energy efficient will reduce emissions faster, so we need to improve the uptake of energy efficiency initiatives and clean energy, and incentivise best practice development and community creation.

The Property Council of Australia supports the plan to make the ACT an all-electric city by 2045 and the ending of new fossil fuel network connections in the ACT.

The challenge to realise ‘Tomorrow’s Canberra’ is to make sure transition from fossil gas to efficient, all-electric buildings is economically sustainable and does not result in stranded assets.

The solution

01 Create a strategy and incentives for high-quality retrofits.

Work closely with industry to support the transition for complex buildings. Targeted programs should include financial incentives with capped statutory charges, a playbook for solutions, and complex building infrastructure upgrades including plant room and building heights and increased gross floor area (GFA).

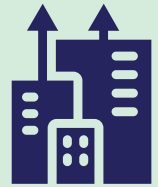
02 Accelerate the shift to high-performance, sustainable buildings with planning incentives.

These incentives include fast tracked development applications, density and height bonuses for more sustainable and higher performing buildings.

03 Build an understanding of the challenges and opportunities that come with transitioning complex buildings.

Work with the Property Council to explore the opportunities and challenges of electrification, and to understand the typologies of complex buildings and how to transition them.

03 Delivering essential transport and events infrastructure for city growth



The issue

We have a strong infrastructure pipeline in the ACT with the 10 Year Infrastructure Plan and ACT Transport Strategy 2020.

The success of 'Tomorrow's Canberra' depends on a commitment to deliver against these plans, and make our city more productive and better connected.

The Canberra Light Rail is the largest infrastructure project in the history of the ACT. It will help to reduce travel times and cut down on emissions.

We must also build real momentum with the delivery of the new Convention Centre and Stadium as key infrastructure projects, and provide certainty for Light Rail Stage 2.

The solution

01 Deliver the Canberra Stadium.

Progress proposals for Canberra Stadium and ensure the stadium is well supported by light rail, with strong connections to the night-time economy, and accommodation. The stadium needs to accommodate both sporting and entertainment events.

02 Deliver the Convention Centre.

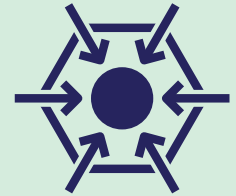
The 2024 Budget Review contained funding to progress planning for the new Convention Centre precinct. The incoming Government should within the next term build the Convention Centre to allow Canberra to host the national events of the future.

03 Establish an independent infrastructure body.

This body would provide advice to Government on the infrastructure priorities for the Capital, and work closely with the ACT Government and industry on the strategy.

04 Develop a 20-year plan for Canberra that includes a vision for high-speed rail.

04 Prioritise Civic, and bring vibrancy back to the Nation's Capital



The issue

The CBD is the engine of our economy, with the greatest concentration of jobs, education and social infrastructure.

But that engine has been running in low-gear since the pandemic. Office vacancy rates continue to increase, impacting the vibrancy of the city centre.

Civic isn't just Canberra's CBD – it's the heart of the Nation's Capital and needs priority focus to realise its pre-pandemic potential and beyond.

The solution

01 Show leadership by encouraging Government employees to return to the office at least three days a week.

- Create a targeted campaign that invites people back into the city.
- Subsidised or free public transport and parking on Monday and Fridays.
- Establish a Government taskforce to fast-track development within the CBD.

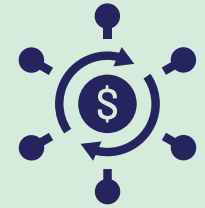
02 Create the regulatory and tax settings that allow our city to thrive.

The incoming Government should consider leasing incentives to:

- Provide greater flexibility for commercial properties to change lease purpose clauses on the ground floor without Lease Variation Charge and GFA restrictions.
- Encourage ground floor and streetscape connection.
- Remove Lease Variation Charge payments for adaptive reuse conversion to residential and build-to-rent.



05 Tax reform for a fairer, more balanced regime



The issue

The property sector is a significant revenue source for the ACT Government – contributing around 45 per cent in 2021-22 – but this comes with significant risk.

Overdependence on the property sector for tax revenue is not sustainable, it creates barriers to growth and investment, and it impacts housing affordability.

Currently, Lease Variation Charges are not considered or used fully as a tool to facilitate development and this needs to change.

The success of ‘Tomorrow’s Canberra’ depends on greater diversification of the tax system, to reduce the burden on property and rebalance the tax system to drive more investment.

The solution

01 Reduce reliance on Rates and Land Sales for Territory revenue.

Work with the Property Council on a review of Canberra’s property taxes to create a sustainable tax position. The review should consider a more balanced spread of taxation across the economy away from property, and help reduce the impact of property taxation on housing affordability for both industry and the community.

02 Use Lease Variation Charge incentives to achieve planning and zoning reforms.

- Consider Lease Variation Charge remissions to incentivise beneficial development.
- Reinvest Lease Variation Charges back into communities undergoing change in urban form – including enhancement of public realm and assets.

- 03 **Provide greater transparency on commercial rates and adopt a strategy of capping commercial rates to CPI increases to alleviate uncertainty.**
- 04 **Assess rates and unimproved land values on the predominant use of the land.**
- 05 **Reduce rates for ground floor commercial tenancies.**
- 06 **Develop the skills pipeline by engaging with stakeholders and industry to create a plan to address the labour shortage.**
 - Create certainty and visibility of pipeline, investment in skill development and affordability.
 - Undertake review and tracking of returns on the ACT Government Local Content Policy to ensure the current measures are representative and achieving policy objectives, including reduction to the cost of living.
- 07 **Deliver a 10-year industrial and employment land strategy.**



As we look forward to ‘Tomorrow’s Canberra’, we encourage the incoming government to partner and work with the ACT Division of the Property Council of Australia to continue to drive sustainable growth in the ACT.

About us

The ACT’s property industry is diverse and Canberra is a city with a bright future. Property directly accounts for more than 12 per cent of the ACT’s economic activity, and our advocacy platform is designed to make Canberra the best place to invest in, manage, and own property. Our Election Platform focuses on five key actions to help position the ACT for further growth and investment.

Through our work, events and programs, we deliver value for all our ACT members to uplift the industry and help unlock the potential of our Nation’s Capital.

Gino Luglietti

Interim Executive Director,
ACT and Capital Regions
National Director of
Government Relations

Phil O’Brien

ACT Division President





Property Council of Australia
ACT Division
Level 4, 10 Moore Street
Canberra City ACT 2601

propertycouncil.com.au

