

23 March 2016



MASTER BUILDERS
SOUTH AUSTRALIA

Members of the Legislative Council
Parliament House
Adelaide SA 5000

To all Legislative Councillors

Re Planning, Development and Infrastructure Bill 2015

We write to you about the amendments currently being considered in relation to the State Government's Planning Reform.

First, Master Builders SA thanks you for the energy invested in debating this vital economic reform and for those Councillors who have welcomed genuine engagement about this Bill.

Master Builders SA believes this is a vital reform that affects families and the broader community. While it covers development matters, it is best seen as an enabler of community confidence to invest.

Without clear and sensible pathways, families are likely to consolidate their current lives rather than invest in their future. South Australia's economy is clearly in need of an expansive and confident outlook if it is to weather the adjustment it is currently experiencing. We are suffering from the fallout from the closure of its automanufacturing sector and the winding down of Defence. Master Builders SA is concerned that a lack of reform – or poorly-executed or diluted reforms – will threaten the 55,000 jobs in the State's building and construction sector with their own valley of death.

Master Builders SA believes the security of these jobs and the future of the businesses, large and small, that support them should be considered by Councillors when deliberating on key amendments. We list our position on these amendments below for the sake of clarity.

Please contact me directly if we can further clarify our position.

Yours sincerely,

Russell Emmerson

Director, Policy and Communications

Rejecting an Urban Growth Boundary (Emp-6)

As previously stated, Master Builders SA is fiercely opposed to the establishment of an urban growth boundary through the device of Environment and Food Production Areas as outlined in these amendments.

The State Government argues that the measure is needed to remove the influence of a single Minister. Instead, the proposed Planning Commission can undertake a study to assess the need for change before Parliament votes on the change.

Yet the very establishment of this Boundary will not have the benefit of this consultation or public discussion. It will be dictated by the decision of a single person, the Minister.

It is argued that the creation of an urban growth boundary is needed to create critical mass for Adelaide's CBD. The majority of those wanting their own home do not want to live in the CBD – they want space, they want regional centres and communities. Master Builders SA does not believe Councillors should ignore the wishes of the very people who elect them.

We have previously shown that the creation of such a boundary will drive up land prices and thus affect housing affordability. Given affordability is seen as the greatest issue that the community and industry face, *Master Builders SA urges Councillors to reject the State Government's proposal to reintroduce a mechanism for an urban growth boundary.*

Tree-damaging activity (Emp-5, amendments 1 and 2)

Households worried about the risks posed by large trees are currently forced to pay an additional \$1000 in compliance costs over and above the cost of managing those risks. Master Builders SA has been told of people waiting for tree limbs to drop to provide an answerable case for the removal of dangerous trees on sites.

The amendments introduced into this Bill add another layer of compliance for households, which will actually expand compliance demands for the very people who are acting appropriately. The prescriptive nature creates a need for professional advice – which will add a further cost.

Master Builders SA therefore supports the State Government's amendments to correct this imbalance in the interests of reducing costs and complexity for households.

Community Engagement Charter (Emp-5, amendments 4-12)

Master Builders SA supports the Community Engagement Charter as a clear expression of community planning desires. We envisage it will be an active, living document that will capture the way our community grows and interacts.

The introduction of the Planning Commission in place of the Minister (as envisaged by amendments 4 and 5, 7 and 8, 10-12) ensures a consistent, arms-length approach to managing the Charter, and *therefore should be supported by Councillors wanting a professionally-managed approach devoid of political involvement.*

Master Builders SA believes amendment 9 should be supported in the interests of good lawmaking. Any contravention of planning rules will give rise to a substantive right of action – yet this clause

currently introduces a new series of rights and obligations that risk ushering in additional legal actions and compliance costs, contravening the very purpose of this reform.

Master Builders SA urges Councillors to vote for these amendments in the interest of promoting a clear and unambiguous planning system.

Improved clarity in planning (Emp-5, amendment 15; Emp-8)

Master Builders SA understands that the State Government's amendment to clause 68 is intended to ensure an application is subject to building rules and standards at the time of assessment, recognising that they change "from time to time". The current clause allows a freezing of those requirements "at a specified time" and thus does not recognise that building rules change to improve safety requirements.

Master Builders SA recommends the acceptance of the State Government's amendment 15 (Emp-5) to improve clarity.

Many of the amendments proposed by Emp-8 are aimed at improving the operation of the Code within the reformed planning system. In particular, the reintroduction of "or numeric" into clause 63(4) provides some much-needed flexibility to allow the Code to operate properly, while properly describing the parameters as those specified by the Code itself.

Master Builders SA supports the amendments described by Emp-8 and urges Councillors to take a similarly pragmatic approach in the interests of planning clarity.

Indeterminate notification requirements introduce further uncertainty (Emp-5, amendments 16, 26)

The amended clause 70 as passed by Parliament introduces indeterminate and subjective notification requirements. The subclause proposed in amendment 26 brings common sense back into the planning process.

Master Builders SA recommends councillors accept these amendments to improve the efficacy of the Bill and the planning system.

A nimble planning system (Emp-5, amendments 17-19)

The State Government's amendment allows for the Minister to activate changes – not introduce them – where needed. Master Builders SA believes the Minister so doing would be required to justify his or her actions or risk being accused of political interference. As such, it is likely to be little used – but the power should be made available to allow the Minister the power to activate spaces given it concerns the timing of changes rather than the creation of new rights and obligations.

Amendments 18 and 19 ensures the reformed planning system offers an active response on individual matters to ensure decisions are reached quickly.

Master Builders SA supports these amendments.

Elected officials on assessment panels (Emp-5, amendments 20-23)

This is a key reform that impacts the underlying integrity of the assessment process. The Legislative Council has an opportunity to create an assessment process beyond reproach, drawing directly upon relevant skills and removing the potential uncertainty that the presence of elected officials has introduced into the assessment of individual proposals.

There is a clear appreciation of the need for a sharp reduction in the role played by elected officials in this process.

Master Builders SA urges Councillors to support this amendment to deliver the highly professional assessment process that South Australia desperately needs.