

Catalyst Projects to Accelerate Growth

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Purpose

Fast-track property and infrastructure projects from the public and private sectors that have the greatest potential to catalyse further economic growth.

Challenge

One key lesson from the GFC was that – while government stimulus projects were very welcome – they did not ‘switch on’ the job creating machine of the non-government construction sector.

The escalation of government infrastructure commitments over recent years has been welcome and extraordinarily important – and will help support recovery. Governments have generally also recognised the important economic potential of their land-use planning systems.

We urge governments to search out and accelerate those projects – both public and private – with the greatest potential to catalyse further investment and stimulate more growth.

These actions not only stimulate recovery, they provide long-term productivity benefits to the economy and help lift living standards over time. The Productivity Commission has declared ‘better functioning cities and towns’ as one of the five big levers to ‘shift the dial’ on long term productivity growth and help to deliver a \$29 billion long term increase in GDP.³ Similarly, Prof. Ian Harper and Deloitte have estimated that incentivising efficiencies to land-use planning systems would lift GDP by \$3 billion.⁴

The Plan

- 2.1 Fast track approvals for shovel-ready institutional and private sector projects** – housing, retirement living units, commercial, industrial, mixed use and other projects that support many more jobs than government projects alone.
- 2.2 Prioritise government property projects** that will catalyse further urban renewal and private sector investment in key city precincts, towns and suburbs.
- 2.3 Fast track surplus government land for disposal** to help stimulate further activity, urban renewal and investment.
- 2.4 Prepare a new wave of major infrastructure projects** from those assessed as high priority by Infrastructure Australia. Federal, state and territory governments should deploy their balance sheets and borrowing capacity in support of this, including via asset recycling.
- 2.5 Bring forward shovel-ready smaller infrastructure projects**, including social housing and infrastructure maintenance, to support employment and economic recovery.
- 2.6 Incentivise upgrades and maintenance works for infrastructure, social housing and commercial properties** that create immediate employment for SMEs by providing tax incentives, rates and charges relief, density bonuses and floor space concessions linked to increased energy efficiency, resilience and cladding rectification.
- 2.7 Incentivise and reduce regulation for retirement communities to develop new facilities** to provide a seamless transition to aged care.
- 2.8 Identify and fast track high-impact City Deals.**