15 April 2024

ECONOMIC DEVELOPMENT AND OTHER LEGISLATION AMENDMENT BILL 2024

WESTERN DOWNS REGIONAL COUNCIL SUBMISSION



15 April 2024

Committee Secretary

Cost of Living and Economics Committee Parliament House George Street BRISBANE QLD 4000

Sent via email: colec@parliament.qld.gov.au

Dear Sir or Madam,

RE: ECONOMIC DEVELOPMENT AND OTHER LEGISLATION AMENDMENT BILL 2024

Western Downs Region Council (Council) is a local government Council in Queensland, Australia. The Council manages an area of 37,937 square kilometres with a population to around 35,000. Council is at the forefront of the changing world and works to support our growing region, with our Corporate Plan underpinned by progress, people, place and performance.

We sincerely thank the Committee for undertaking its inquiry into this Bill, which is of strong interest to our Council and our residents.

Please find enclosed a copy of the Council's submission regarding the Economic Development and Other Legislation Amendment Bill 2024.

For any further information or questions, please contact Lidewij Koene-Sloss, Economic Development Manager via email lidewij.koene-sloss@wdrc.qld.gov.au or phone (07) 4679 4526.

Yours Sincerely,

Daniel Fletcher
GENERAL MANAGER COMMUNITY & LIVEABILITY



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About the Western Downs Regional Council

The Western Downs is located on the Darling Downs, approximately 207 kilometres northwest of Brisbane and 83 kilometres north-west of Toowoomba. The region encompasses the centres of Dalby, Chinchilla, Jandowae, Miles, Tara, and Wandoan, covering nearly 38,000 square kilometres. Combining country lifestyle with modern living, excellent retail offerings and conveniences, the area is home to a population of around 35,000 people and has a large working age population of 60.9% aged 15-64 years.

Built on agriculture and thriving in the intensive agriculture, energy and manufacturing industries, Western Downs Regional Council is focused on making our region a great place to live, work, visit and invest and to ensure our future generation has the opportunity to do what they love whilst enjoying a regional lifestyle and continue the strong economic growth of the region.

Council manage Australia's second largest road network of over 10,000 km with highways leading into the region include the Bunya, Leichhardt, Warrego & Moonie highways, an extensive water, gas, and sewage network, and one of Australia's largest cattle saleyards. Located in the heart of the resource rich Surat Basin, the Western Downs has a diversified energy portfolio with five pillars of energy generation: Coal, Gas, Ethanol, Wind and Solar cementing our reputation as the Energy Capital of Queensland. This contributes to the region's strong economic growth, investment, and consistently high employment with a GRP of \$3.68Billion with 15% growth over the past 5 years.

Council's five-year Economic Development Strategy (2023 to 2028) addresses critical issues and clearly articulates a strategic pathway for the Western Downs to diversify and grow its economy, building on the region's competitive advantage and further attracting business and investment in value-adding opportunities and emerging markets. The Economic Development Strategy focuses on five key pillars:

- Jobs & Skills The Western Downs workforce is growing, optimised and fit for the future.
- **Liveability & Infrastructure** The Western Downs is equipped with modern infrastructure and quality essential services across the region to enable liveability and wellbeing, whilst sustaining population growth.
- **Population** The Western Downs demonstrates population growth to meet workforce demands.
- **Productivity & Innovation** The Western Downs is a recognised leader in agribusiness, energy and manufacturing, and local productivity continues to increase.
- **Sustainability & Resilience** The Western Downs is future-proofed for a changing climate and transitioning economies, and circular economy principles are stimulated.



This strategy aligns closely with the Council's Corporate Plan and supports one of Queensland's most progressive Planning Schemes which is committed to attracting and enabling development and ensure the Western Downs is a diverse region at the forefront of the changing world.

Executive Summary

On 20 March 2024 the Hon Grace Grace MP, Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing introduced the Economic Development and Other Legislation Amendment Bill 2024 into the Queensland Parliament. The Bill was referred to the Cost of Living and Economics Committee for detailed consideration.

Queensland is experiencing significant pressure on the housing sector. As part of the Queensland Government's response to this pressure, the Queensland Housing Summit was held in October 2022. A specific action out of the Queensland Housing Summit Outcomes Report is for Economic Development Queensland (EDQ) to strengthen the remit of EDQ to deliver more housing supply across the State, including new social and affordable housing in the context of urban renewal and precincts. This will include establishing social, affordable and diverse housing as a clear purpose in Economic Development Queensland's legislation, with a focus on demonstrating to the market affordable and diverse housing for low to moderate income households.

The Economic Development and Other Legislation Amendment Bill 2024 seeks to enhance EDQ's capacity to deliver on its objectives by:

- establishing a contemporary operating model and governance framework that will support EDQ's long term financial sustainability and performance;
- increasing EDQ's capacity to respond to initiatives and challenges to deliver economic development in Queensland; and
- improving enterprise and place-based outcomes.

Council would like to see how Economic Development Queensland (EDQ) and the State Government support social and affordable housing development in the Western Downs Council Region outside of the PDA and PPDA context.

Council would strongly suggest EDQ and Minister of Economic Development Queensland (MEDQ) work in collaboration with Council to implement the actions on Council's Local Housing Action Plan (LHAP) and continue to support more place-based housing solutions, increase the housing supply and improve housing affordability with continued economic development in the Western Downs Region.

Council wishes to strengthen collaboration with EDQ to ensure transparency, accountability, and alignment with the Council's strategic objectives and community priorities, particularly when any investment activities in the region are considered.



Recommendations

Western Downs Regional Council recommends the Committee:

 Recommendation 1: Economic Development Queensland (EDQ) support for social and affordable housing in Western Downs.

While there is no declared Priority Development Area (PDA) or Provisional Priority Development Area (PPDA) in the Western Downs region, Council would like to see how Economic Development Queensland (EDQ) and the State Government support social and affordable housing development in the Western Downs Council Region outside of the PDA and PPDA context. Council strongly advocates for EDQ and Minister of Economic Development Queensland (MEDQ) work in collaboration with Council to implement the actions on Council's Local Housing Action Plan (LHAP) and continue to support more place-based housing solutions, increase the housing supply and improve housing affordability with continued economic development in the Western Downs Region. While any place-based solutions proposed under the bill should be relevant and responsive to the unique needs of different townships across the Council region, customised approaches that take into account local demographics, infrastructure requirements, and community preferences would be more effective in addressing housing supply and promoting sustainable development.

• Recommendation 2: Elevate Engagement with community.

Emphasises on the importance of robust consultation with local government and communities prior to the declaration of PDA or PPDA and with the Place Renewal Framework. Consultation process should prioritise transparency, inclusivity, and meaningful engagement to address community concerns and ensure local needs are considered. Council advocates for meaningful engagement with impacted residents to ensure their concerns are addressed and to facilitate strong community input in the development process.

Recommendation 3: Clarify Responsibilities.

With the bill amendment proposing MEDQ has expanded powers on land acquisition and the creation of temporary planning instruments; clear delineation of responsibilities and coordination mechanisms between the Council and EDQ need to be in place to ensure transparency, accountability, and alignment with the Council's strategic objectives and community priorities when MEDQ decided to undertake any investment activities in the region.

• Recommendation 4: Harmony between relevant strategies.

Synergy between the Queensland Government Queensland Housing and Homelessness Action Plan 2021 - 2025, Queensland Housing Strategy 2017 - 2027 with Homes for Queenslanders plan and Queensland Big Build Strategy.



Submission

Housing Supply, affordability, and diversity

Council welcomes the Economic Development and Other Legislation Amendment Bill 2024 (Qld) (Bill) to include the provision of diverse housing, including social and affordable housing as one of the main purposes of the Economic Development Act 2012. Council also welcomes the inclusion of the definition of both social and affordable housing in the Bill and focus on further recognition of cultural heritage, significant places, and ecological sustainability.

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According to the Queensland Government, Social Housing Register Data Western Downs, 2023, there are currently 250 social housing dwellings (92 provided by Community Housing) in the Western Downs region. In December 2023, there were 165 people registered for social housing who had Western Downs as one of their preferences. Emergency responses during 2022 and 2023 of the region's flooding and bushfire events have resulted in fluctuating and varied needs for social housing and crisis accommodation across the townships of the region.

The goal of increasing housing supply in the bill aligns with Council's priority to increase the availability of high-quality social and affordable homes, expedite development, and foster government and industry capacity for the delivery of innovative housing projects. Council aims to address housing shortages and ensure that residents and workers have access to suitable housing options. By creating additional pathways for EDQ to facilitate such housing delivery, the bill supports the Council's efforts to meet the needs of the community.

Despite an increased population rate, the Western Downs region is currently facing key challenges in a multitude of areas including low availability of developed land (particularly in Dalby), reducing rental stock levels, low building approval rates, lack of housing diversity, low housing vacancies and resilience. With a significant housing shortage, Council recognised the importance of increasing housing supply to meet the growing demand and supports the bill's focus on facilitating the delivery of social and affordable housing which can address these shortages and improve housing affordability for residents in the region. While the bill focuses on increasing social and affordable housing, Council is advocating to ensure that housing solutions are placed-based, flexible and adaptable to the diverse needs of different communities within the region tailored to local demographics and preferences.

Western Downs Regional Council is taking a proactive stand on addressing the current housing challenges in the broader region. A Local Housing Action Plan (LHAP) has been developed through a joint initiative involving the Queensland Government, Western Downs Regional Council (WDRC), the Western Downs Futures group, and the Local Government Association of Queensland (LGAQ) to understand key local issues. This allows these organisations to work in partnership to enable targeted housing outcomes and allow relevant



parties to respond to a range of immediate, emerging, and longer-term housing actions in the Western Downs region. This is an iterative process to improve the availability, diversity, and quality of housing over time and encourages community liveability, resilience and social and economic growth and prosperity. The plan seeks to identify opportunities, consider an agreed response, develop targeted actions on key priorities and enable ongoing review of efforts to adapt and respond to changing needs aligning with Queensland Government's Queensland Housing and Homelessness Action Plan 2021 - 2025 and the Queensland Housing Strategy 2017-2027.

In addition to this, an updated Housing & Land Incentive Policy has been endorsed earlier this year by Council to offer up to \$5 million to encourage residents and developers with a vision to construct new duplexes, units or subdivide land or residential lots to increase housing and land supply. This incentive will stimulate construction by offering generous application fee discounts and discounted infrastructure charges to approved developments across the region to maintain a strong and accessible housing market.

Council welcomes the expansion of the Minister for Economic Development Queensland's (MEDQ) power allowing MEDQ to enter into agreement with a third party in relation to provision of affordable and social housing which supports the increase of housing supply and ensures social housing targets are met in priority development areas (PDA) and provisional priory development area (PPDA). While there is no declared PDA or PPDA in the Western Downs region, Council would like to see an equivalent system, where EDQ and the state government support social and affordable housing developments in the Western Downs that have not been declared as PDA or PPDA and hope to see continued engagement with Council to support the objectives and actions outlined in the LHAP. It is also hoped to see continued involvement of the MEDQ in addressing housing supply issues and supporting place-based solutions that align with Council's efforts to increase housing and land supply in the region.

Council is also aware that EDQ's role in facilitating economic development extends beyond PDAs. Council welcomes EDQ undertaking investment activities, property development projects, or infrastructure initiatives that could benefit the broader Western Downs region and continue strong communication with Council on how these activities could potentially stimulate economic growth, create employment opportunities, and attract investment to the region.

Investment Activities Property Assets

Council welcomes the Bill allowing the MEDQ to undertake investment activities in property assets presenting opportunities for economic development within the Western Downs region. Strategic investment in property assets can stimulate growth, attract private investment, and contribute to the development of key infrastructure and amenities that benefit the community. Investment in property assets by the MEDQ could lead to the development of critical infrastructure projects within the region. This could include initiatives related to



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transportation, utilities, public facilities, and other essential services that support the growth and liveability of the Western Downs Region. The MEDQ's investment activities may also create opportunities for partnership between Council and the state government to identify and prioritise investment opportunities, leveraging each other's resources and expertise, resulting in mutually beneficial outcomes for the region.

While the potential benefits of MEDQ's investment powers are significant, especially surrounding their expanded powers including land acquisition and the creation of temporary planning instruments, Council raises concerns regarding oversight and accountability.

Council would like to see mechanisms set in place to ensure transparency, accountability, and alignment with the Council's strategic objectives and community priorities if MEDQ decide to undertake any investment activities in the region. Council urges the need for collaborative involvement in any consultation and discussion and to work together with EDQ and MEDQ to consider the potential impact of MEDQ's investment activities on the local property market or its impact on local community and residents. Proposed development with various development options should be explored, and consideration should be given to how these investments may influence property prices, rental affordability, overall housing market dynamics within the region and have a long-lasting positive impact on the region's liveability.

Council has recently adopted the Communities Partnering Framework that focuses on a collaborative, long-term and strategic partnership driven by a shared commitment to strengthen economic, environmental, and social outcomes across the Western Downs and its communities, enabling a sustainable future. The Communities Partnering Framework sets Councils expectations for large companies or developments operating in the region to ensure they are acting with the community in mind, supporting social license through communities partnering and empowering our communities to partner with the developers, and Council. As with any investment initiative, Council would like to see any development under the direction of MEDQ and EDQ to comply with the Council's Communities Partnering Framework and striking a balance between economic development objectives and the needs of the local community. Western Downs Council advocates for investments that not only promotes growth but also addresses pressing community needs, such as affordable housing, infrastructure improvements, and job creation.

Place Renewal Framework

Council strongly supports the Place Renewal Area within the existing PDA or PDA-associated land will allow the MEDQ to take a place-making and leading coordination role across a precinct.

While Western Downs Region does not have an existing PDA or PDA-associated land, the creation of place renewal areas allows the EDQ to take a leadership role in coordinating and integrating urban renewal efforts. This could potentially streamline development processes



and promote more cohesive and sustainable urban development outcomes within regions that have a PDA or PDA-associated land.

Council also understands that the implementation of Place Renewal Area within the existing PDA or PDA-associated land may have indirect effects on neighbouring regions, including the Western Downs. For example, improvements in infrastructure or amenities in nearby areas could influence regional development patterns and investment decisions. Council has experienced strong population growth and economic development for being in the centre of a renewable energy zone. Council would like to see EDQ put equal focus on regional areas outside the PDA or PPDA context regarding developments, instead of purely focusing on urban development outcomes. This would align with Council's Economic Development Strategy and the Regional Australian Institute's Regionalisation Ambition 2032 framework.

Council welcomes the place renewal framework which provides an opportunity for improved coordination between various stakeholders involved in urban renewal, including local governments like the Western Downs Regional Council, state government entities, community groups, and industry stakeholders. The bill also mandates consultation with relevant stakeholders during the preparation of the place renewal framework. If there is any PDA or PDA-associated land in the region, Western Downs Regional Council will actively engage with the process to ensure that community perspectives and priorities are adequately represented. Council welcomes engagement that can help ensure that the renewal efforts reflect the needs and aspirations of local residents, where the coordinated approach could lead to enhanced planning coordination, more efficient decision-making and better alignment of priorities and resources.

While in the Bill, the establishment of place renewal areas empowers the EDQ to lead urban renewal efforts, Council raises concerns on how Council will maintain its role as the local planning authority. Clear delineation of responsibilities and coordination mechanisms between the Council and EDQ will be crucial to avoid duplication of efforts and ensure effective governance. Urban renewal efforts often require significant investment in infrastructure and services to support new development. Western Downs Regional Council is open to collaborate with the EDQ to identify infrastructure needs and prioritise projects that enhance liveability, connectivity, and sustainability within the renewal areas.

Operational Efficiency Measures

Council sees the implementation of delivering operational efficiencies to the MEDQ existing functions, that will streamline the processes, to be advantageous for facilitating development projects within PDAs and PPDA, potentially reducing bureaucratic hurdles and expediting approvals. While operational efficiency is crucial for timely decision-making and project delivery, it's essential to balance efficiency with accountability and transparency. Western Downs Regional Council would like to see MEDQ and EDQ have mechanisms in place to maintain accountability while pursuing operational efficiencies. Mechanisms of measuring whether a decision has been exercised fairly, proportionately and adequately should be in

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place to ensure that streamlined processes do not compromise regulatory standards or overlook community interests.

Council welcomes the inclusion of consultation requirements, such as seeking advice from third parties in assessing and deciding PDA development applications, can enhance the robustness and inclusivity of decision-making processes. By incorporating diverse perspectives and expertise, these consultations will lead to more informed and balanced decisions, contributing to better outcomes for the community. Enhancing the MEDQ's ability to coordinate with government entities, local governments, and distributor-retailers can promote better alignment of infrastructure planning and development activities. Improved coordination can help address critical infrastructure needs more efficiently, benefiting both existing communities and new development projects.

The amendments also clarify the MEDQ's powers regarding enforcement actions, directions, and infrastructure charges. This clarity can enhance transparency and predictability in regulatory processes, providing developers and stakeholders with a better understanding of their obligations and rights.

EDQ's Corporate Structure

Council welcomes the establishment of an independent Board comprising both government and non-government members, along with the appointment of a Chief Executive Officer (CEO), signals a more robust governance framework for MEDQ. Council can see that the governance framework will allow more strategic decision-making processes and increased accountability in planning and development activities undertaken by EDQ, which could benefit the Western Downs Regional Council and other Councils. The inclusion of non-government members with expertise relevant to MEDQ's portfolio responsibilities will ensure a diverse range of perspectives in decision-making processes. From a Council's perspective, having Council representation and stakeholders from impacted areas with relevant expertise involved in MEDQ's governance structure could facilitate better alignment of regional development initiatives with local priorities and objectives.

The requirement for the Board to prepare and submit strategic and operational plans, along with quarterly reporting to the Minister is welcome by Council as this increases transparency and accountability of MEDQ. Council having access to these plans and reports would provide valuable insight into MEDQ's priorities, activities, and performance, enabling better coordination and collaboration on regional development initiatives.

The Bill includes provisions for the Minister to approve dividend payments recommended by MEDQ, ensuring appropriate financial management and accountability. From Council's perspective, understanding the financial sustainability of MEDQ and its implications for regional development funding would be critical for planning and decision-making.

Council supports the establishment of an employing office with standardised employment practices for EDQ staff ensuring consistency and professionalism within the organisation. Council supports active engagement and collaboration with MEDQ staff on planning and development projects, leading to more efficient and effective outcomes for the region.



Conclusion

Western Downs Regional Council extends its appreciation for the opportunity to respond to the Economic Development and Other Legislation Amendment Bill 2024.

Council would like the opportunity to provide further insight to the Cost of Living and Economics Committee upon the passing of the Bill.

Contact Details

Please do not hesitate to contact Lidewij Koene-Sloss, Economic Development Manager via email via email <u>lidewij.koene-sloss@wdrc.qld.gov.au</u> or phone (07) 4679 4526 should you wish to discuss any aspect of this submission.

Appendix

- 1. Western Downs Council, Economic Development Strategy 2023 2028, <u>economic-development-strategy-document-ver-22.02.23.pdf</u> (wdrc.qld.gov.au)
- 2. Western Downs Regional Council, Corporate Plan 2021 2026, Plans & Publications Western Downs Regional Council (wdrc.qld.gov.au)
- 3. Western Downs Regional Council, Local Housing Action Plan 2017 2027, https://www.wdrc.qld.gov.au/files/assets/public/v/1/business-amp-development/wdrc-local-housing-action-plan.pdf
- 4. Western Downs Regional Council, Housing and Land Incentive Policy, <u>ECM_4637436_v3_Housing and Land Development Incentives - Council Policy</u> (wdrc.qld.gov.au)
- Western Downs Regional Council, Communities Partnering Framework, <u>https://www.wdrc.qld.gov.au/files/assets/public/v/1/business-amp-development/economic-development-strategy/final-version-communities-partnering-framework-western-downs-002.pdf</u>
- 6. Western Downs Regional Council, Planning Scheme https://www.wdrc.qld.gov.au/Business-Development/Development/Western-Downs-Planning-Scheme
- 7. Queensland Government, Social Housing Register Data Western Downs, https://www.data.qld.gov.au/dataset/social-housing-register/resource/28d2df8e-628e-4324-8c2f-4b89e96395d4
- 8. Regional Australian Institute's Regionalisation Ambition 2032 framework. Regionalisation Ambition 2032 (regionalaustralia.org.au)