

media release



MASTERS OF OUR INDUSTRY

Master Builders Association of Victoria
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Housing affordability boost as planning red tape is cut

Master Builders has welcomed moves by the Baillieu Government to reform Victoria's development contributions system.

Executive Director Brian Welch stated the reforms would help reduce regulatory burdens and provide a simpler process to help developers build new suburbs and infrastructure.

"These reforms will cut red tape and give builders more time to do what they do best – build the homes and communities Victorians rely on," said Mr Welch.

"Housing affordability is a major issue for our society and having an effective, efficient development contribution system will drive down costs for builders and homebuyers.

"The Victorian Government has listened to the concerns our industry has about the current contribution system and we welcome the steps taken to address this problem."

Development contribution schemes are used to fund or upgrade infrastructure required to support the establishment of new neighbourhoods and suburbs.

"Everyone has a role to play in supporting the construction of new communities but the current system allows substantially different charges applied across council borders," Mr Welch said.

"Some councils use the system as a cash cow, which forces up the price of land and houses that homebuyers are then forced to pay.

"A simpler, more consistent approach for this system will support Victorian families moving into new suburbs."

Planning Minister Matthew Guy today announced an advisory committee will detail the works and contributions required to support the development of new residential neighbourhoods by the end of the year.

Infrastructure charges, paid for by builders and passed through to homebuyers, will be standardised to cover community and open space facilities, transport and drainage infrastructure and public land. The preferred framework will set charges based on the type and location of developments.

"Master Builders has long campaigned for action to address housing affordability and the escalating costs of development so it is great to see government rolling up its sleeves on this issue," said Mr Welch.

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