

# Media Release

Friday, 27 February 2015

## UDIA Welcomes Delay, but NBN Charges Still Unfair

The Urban Development Institute of Australia (UDIA) has welcomed the Government's decision to partially delay the introduction of new fees on new home buyers for connecting to the National Broadband Network (NBN), but is still critical of the new policy.

UDIA received advice from the Government late yesterday indicating that new backhaul and end user connection charges, which were due to come into effect this Sunday, would be delayed until 1 July 2015.

UDIA National President Cameron Shephard said that whilst the delay would give industry additional time to react to the changes, the new policy was still fundamentally unfair.

"As it stands, new home buyers are already contributing between \$500 and \$1500 for the cost of delivering NBN pit and pipe infrastructure, which existing households don't have to pay," said Mr. Shephard.

"The Government's new policy will add another \$700-\$900 in connection and infrastructure charges, and a potentially unlimited amount in additional backhaul charges, which could amount to several thousands of dollars per home."

"That could be the difference between realising the Australian dream or not for many new home buyers," he said.

UDIA has also raised major concerns around the impact of the new charges on housing supply, and economic growth and jobs in Australia's development and construction industries.

"Property development is the fourth largest industry in Australia, accounting for around thirteen per cent of GDP, one in ten jobs, and over \$30 billion in state and federal government revenues."

"In addition to harming affordability, the new charges could act as a considerable disincentive to new home construction, which is the last thing Australia needs in the current weak economic climate," concluded Mr. Shephard.

UDIA appreciates the Government's active engagement with industry on this important matter, and we look forward to continuing to engage with the Government as it finalises and implements its new policy.

UDIA's submission to the draft NBN policy can be accessed [here](#).

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