

Election 2013

Coalition Campaign Headquarters



PO Box 6004 Kingston, ACT 2604 | T 03 99759800 | F 03 9975 9810 | E libadm@liberal.org.au | W www.liberal.org.au

25 August 2013

Ms Julie Katz
National President
Urban Development Institute of Australia
GPO Box 2507
CANBERRA ACT 2601

Dear Ms Katz

Thank you for providing the opportunity to outline the views of the Coalition on the important issues facing the Urban Development Institute of Australia.

On behalf of the Coalition I am pleased to provide the attached response to your policy proposals.

In addition, between now and the election, the Coalition will be progressively providing further details of Our Plan to build a strong prosperous economy and a safe and secure Australia.

Once announced, the details of our policies will be available at www.liberal.org.au and www.nationals.org.au.

Thank you for the opportunity to communicate the Coalition's plans and commitments to your members.

Yours sincerely



Brian Loughnane
Federal Campaign Director

Choose
A stronger Australia A better future

Response to Urban Development Institute of Australia Policy Proposals

Infrastructure - Deliver modern infrastructure to support our growing population

As part of our economic plan for Australia, the Coalition will build more modern infrastructure to boost productivity.

Our big cities are as vital to our economy as our vast resource developments and can be properly considered a critical part of our national economic infrastructure. They are key to the development of a more productive and prosperous Australia.

The Coalition will develop a rolling 15-year infrastructure plan of national projects and work closely with Infrastructure Australia in establishing project priorities and delivery timetables. This will be a Commonwealth and State Government plan and will be revised every five years.

Our infrastructure plan will have a special emphasis on reducing the bottlenecks on our gridlocked roads and highways. We will work with the States and the private sector to accelerate the delivery of a major roads and highways programme that reduces bottlenecks to improve productivity and safety for all road users.

The Coalition will contribute:

- \$1.5 billion to get the WestConnex Project underway in Sydney to complete the east-west corridor;
- \$1.5 billion to get the East- West Link road tunnel underway in Melbourne to link the Eastern Freeway and Western Ring Road and further improve the Geelong Princes Highway;
- \$1 billion towards the upgrade of the Gateway Motorway in Brisbane and develop the Toowoomba Range crossing;
- \$400 million towards the duplication of the Midland Highway between Hobart and Launceston in Tasmania;
- \$6.7 billion for the Bruce Highway in Queensland;
- \$615 million for the Swan Valley bypass in Western Australia;
- \$500 million for upgrades of the North-South Corridor in Adelaide; and
- \$5.6 billion to complete the duplication of the Pacific Highway from Newcastle to the Queensland border.

We are also committed to the Perth Gateway project.

The Coalition will deliver better value from infrastructure spending by working in close collaboration with Infrastructure Australia. Infrastructure projects are very expensive and taxpayers must be guaranteed that their money is spent in the most cost effective manner possible so that we end up with more productive infrastructure, rather than just wasted money. The Coalition will strengthen the role of Infrastructure Australia, improve its governance and make it more transparent and accountable, as well as a more effective adviser. We will require all Commonwealth-funded projects worth more than \$100 million to undergo a cost-benefit analysis by Infrastructure Australia to ensure the best use of available taxpayer monies. We will also require Infrastructure Australia to publish justifications for all its project recommendations.

If elected, a Coalition Government will introduce an annual Parliamentary statement on infrastructure, delivered by the Prime Minister, to ensure our promises are not just words but actions on the ground. The statement will set out the construction status of major infrastructure projects, the amount of Commonwealth money spent on major projects over the preceding 12 months and whether milestones have been met. This will provide unprecedented levels of transparency and accountability for infrastructure by Government and ensure measurable progress is made on the construction and delivery of the Coalition's commitments.

Affordable housing - Deliver affordable housing now and for future generations

The Coalition recognises the shortage of housing in Australia and the impact it is having, particularly on families and lower income earners. Many younger Australians are deferring the dream of home ownership as they grapple with higher house prices, higher construction costs and a lack of supply. In the worst cases, families are losing their houses and sleeping rough.

The Coalition will address the causes of reduced housing affordability by seeking to diminish the barriers to an efficient and responsive housing market.

We are committed to improving housing affordability in Australia by paying down Labor's debt and repealing the carbon tax in order to help boost the supply of affordable housing and solve the national housing shortage of 228,000 dwellings. Repealing the carbon tax will reduce new housing costs by at least \$3,800.

The Coalition is committed to cutting red and green tape by \$1 billion every year across the economy, which will help reduce the cost of construction, making new housing more affordable.

We will also restore the Australian Building and Construction Commission (ABCC), which will prevent industrial problems from causing additional costs and delays. By keeping disputes to a minimum the ABCC will help to increase productivity and lower construction costs around Australia.

Housing affordability and the national housing shortage have worsened under Labor. Rents are rising faster than average incomes and homelessness has increased. Labor's reckless spending, leading to high net debt and deficits, has put the Australian economy in a highly vulnerable position, reducing confidence in the housing industry as well as opportunities for it to grow. In 2007, Labor promised to fix housing affordability, calling it 'the ultimate barbeque stopper', but since coming to office and despite spending more than \$26 billion on various programmes, housing affordability has declined.

Labor has mismanaged the key housing funding deal with the States and Territories, the National Affordable Housing Agreement (NAHA) - a \$6.2 billion commitment over five years. Although the Coalition supports the objectives of the NAHA, the agreement as negotiated by Labor eliminated the requirement for matched funding from the States and Territories, lacks accountability and does not tie funding to programmes or outcomes. It is difficult under the current NAHA to ascertain which States and Territories are successfully increasing affordable housing stock and how improvements can be made.

Labor's approach to the NAHA is deeply flawed, and under a Coalition Government, the States and Territories will be required to report regularly and will receive funding for housing based on performance.

The Federal Government's role in housing policy is to provide national leadership in housing market reform and efficiently use taxpayers' money to help correct the ongoing shortage of new housing – something Labor has comprehensively failed to do.

If elected, the Coalition will work closely with the States and Territories to reduce red tape holding up the supply of housing and construction and to increase land release for new homes. A Coalition Government will also work towards greatly enhanced Commonwealth-State relations by making sure that national housing agreements are more competitive and are performance based.

Economy and taxation - Create a stronger economy and more jobs through a fairer taxation system

The Coalition has a plan to deliver a strong, prosperous economy that will deliver more jobs, higher real wages and better standards of living for all Australians.

Our Plan includes getting the Budget back under control and paying back Labor's debt, lowering taxes to stimulate stronger economic growth, boosting productivity to secure greater prosperity, helping small business create stronger jobs growth, and building a more diverse, world class 5-pillar economy that unleashes Australia's potential.

The Coalition will generate one million new jobs over the next five years and two million jobs over the next decade as we unleash Australia's real economic potential, modernise our businesses and industries as well as transform to a stronger and more prosperous economy.

If elected, the Coalition will cut company tax to 28.5 per cent from 1 July 2015.

The cut to the company tax rate is part of the Coalition's significant tax reform agenda to be delivered within the first term of a Coalition Government. This includes abolishing Labor's carbon tax which, on the Government's own figures will cost the average family more than \$550 in 2014-15; keeping the current tax threshold and fortnightly pension benefit increases introduced as part of the carbon tax package so that these become genuine tax cuts and cost-of-living relief rather than partial compensation for a damaging tax; scrapping Labor's failed mining tax, which added to sovereign risk and to the costs of many mining companies, especially small miners, while raising only a tiny fraction of the promised revenue; and reversing Labor's damaging and ill-considered change to fringe benefits tax on motor vehicles, announced in July this year without consultation and which is causing chaos and job losses across the industry.

The Coalition understands that Australia's economic future will depend on reforming Australia's tax system to ensure Australia remains attractive for investment. We will seek to deliver further tax reductions once we have fixed Labor's budget mess.

If elected, the Coalition will also release the modelling behind the Henry Tax Review to enable an open discussion about the future of Australia's tax system. We would then seek a second-term mandate for a further tax reform agenda by releasing a comprehensive White Paper on tax reform prior to the next federal election.

Red tape

The Coalition recognises that all modern economies need regulation, but excessive regulation results in more costs than benefits and discourages innovation, investment and job creation. It also adds additional costs to Governments, which are required to enforce regulation.

For too long, the red and green tape burden on Australian businesses has been increasing. Under Labor, 21,000 additional regulations have been added despite them having promised

to cap the growth of regulation with a 'one-in, one-out' policy. Labor has paid too little regard to the systemic costs of regulation to the economy and to our ongoing national prosperity.

If elected, the Coalition will cut \$1 billion a year in red and green tape, which will result in more efficient Government and more productive businesses.

As part of this commitment, the Coalition will set aside two Parliamentary sitting days for the repeal of legislation each year; report to Parliament annually on red and green tape reduction; reallocate the responsibility for deregulation from the Department of Finance to a new unit within the Department of Prime Minister and Cabinet – taking a whole of Government approach to deregulation; create a dedicated unit within each department and agency that is charged with driving red tape reduction; and require all Cabinet submissions to include a Regulatory Impact Statement.

The Coalition will also establish a one-stop-shop for environmental approvals and dramatically simplify the approvals process across federal, state and local authorities while maintaining environmental standards. We will uphold current environmental protections while cutting the duplication in the approvals process.

The Coalition's plan to boost productivity and reduce regulation will lower business costs, generate more jobs and strengthen the economy.