

Arts

4 July 2024

Department of Transport, Regional Development, Communications and the Arts Via email: <u>urbanpolicyinput@infrastructure.gov.au</u>

To Whom It May Concern

Re: Draft National Urban Policy Consultation

Master Builders Australia (Master Builders) welcomes the opportunity to respond to the draft National Urban Policy. Our members are critical to the implementation of government urban policy objectives and priorities and are at the heart of building the urban environment that supports the aspiration of more inclusive, safe, sustainable, healthy and prosperous communities.

As part of the development of the national urban policy (seeking to better integrate an urban lens across Australian policy making), it is imperative that this policy not only prioritises planning and design aspirations but also has an objective view on what's needed to implement urban policy objectives and priorities. This includes supporting the growth of sustainable and profitable businesses that are needed to build Australia's cities, towns and suburbs. This requires the sensible balancing of policy aspiration whilst enabling more viable pathways for building and construction activity.

Unfortunately, the cost of construction has been escalating for the past few years with the average cost of building a home increasing by 40 per cent since 2019. This has happened together with productivity in the industry falling by 18 per cent over the last decade. With cost of living and doing business pressures being felt across the country, this is not sustainable for consumers or the building and construction industry.

Master Builders has therefore responded to the six objectives and principles and their corresponding actions in the draft National Urban Plan with further views on building sector implementation considerations. Information about Master Builders, the building and construction sector and a summary of implementation considerations follow.

About Master Builders Australia

Master Builders is the nation's peak building and construction industry association, serving as the only representative for all three sectors of the industry: residential, commercial and civil construction. Over 130 years, the network has grown to over 32,000 businesses nationwide, including the top 100 construction companies.

With Master Builders Associations in each state and territory, offices in all capital cities and 34 locations throughout metro and regional Australia, Master Builders is the authentic voice of the nation's building and construction industry.





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PO Box 7170 Yarralumla ACT2600 The building and construction industry is an extremely important part of, and contributor to, the Australian economy and community. It directly accounts for 10 per cent of gross domestic product (GDP) and employs around one in ten Australians.

The value of construction activity across the three areas of construction was close to \$250 billion in 2022-23. Future activity is expected to reach \$270 billion per annum. Infrastructure projects and stronger home building is where growth is expected, while non-residential is expected to decline over the next five years.

Building sector implementation considerations

The draft national Urban Policy identifies six objectives and six principles, both with actions that underpin achieving the government's plan for enabling more liveable, equitable, productive, sustainable and resilient communities.

The draft plan also identifies the Australian government national priority agendas such as housing, productivity, social cohesion, disaster resilience and climate action that intersect with this plan. A shared vision for sustainable urban growth across different levels of government will be included in the final version of the National Urban Policy but is not part of the draft plan for consultation. This plan will be most effective when all levels of government work towards shared priorities.

Master Builders broadly supports the objectives and priorities and has made recommendations on additional actions for inclusion. A summary is below with a more detailed response attached for further reference.

Urban Plan Objective	Action recommended by Master Builders
No-one is left behind	Support actions but include reference to utilities infrastructure and support for first home buyers as well as for homeowners to remain in place.
All people belong and are welcome	Support and welcome a renewed focus on broader community infrastructure needs.
Our urban areas are safe	Support action that focuses on informed communities and addressing climate risk reduction through land use planning.
Our urban areas are sustainable	 Support but include reference to: The "safe use" of cost effective low and zero emissions vehicles. Recognising the six sector net zero plans that includes a built environment sector plan. Enabling appropriate capacity in utilities infrastructure (electricity and water). Developing standard requirements for building product and systems information.
Our urban areas promote productivity	 Support but include additional actions, including: Identifying and acknowledging productivity barriers impacting industry capacity in policy and regulatory settings. Clearing productivity barriers in the built environment to lift the sector's capacity to build more.

Master Builders response against objectives includes the following:



Level 1, Building 4, Equinox Business Park 70 Kent Street, Deakin ACT 2600 Master Builders response against priority recommendations:

Priority	Action
Improving the evidence base will underpin urban	Support but suggest that the Australian Housing and Urban Research Institute (AHURI) could lead this work.
innovation	

Master Builders appreciates the opportunity to make a contribution to the development of a National Urban plan through this public consultation process and hopes to continue to work with the government as it progresses the plan. Should any further information be required, please contact Alex Waldren, National Director Industry Policy at alex.waldren@masterbuilders.com.au.

Yours sincerely

Denita Wawn Chief Executive Officer





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Objective	Actions	Master Builders Comment
No-one and no place left behind Creating communities with equitable access to infrastructure, education, jobs and cultural activities. We will increase the availability of housing that is well located, well designed, accessible and affordable so everyone can feel safe and secure. As our communities grow and change, our urban spaces should adapt to meet people's needs.	 Collaborate with state, territory and local governments and community organisations to: support the development of a nationally consistent framework for national growth areas that establishes standards for infrastructure and services strategically plan for growth through investment in data gathering capabilities update land use planning systems to accommodate a greater mix of housing and higher-density housing in well-located areas, close to transport connections, amenities, services, and education and employment opportunities (currently being delivered through the National Planning Reform Blueprint) support the capacity and capability of the construction sector to increase the supply of housing Invest in supporting infrastructure, such as: social infrastructure (energy /water) Expand support for those in need, such as: state and territories delivery of homelessness services innovative financing to encourage institutional investment in social and affordable housing Incentives for supporting first home buyers in areas of targeted need into the market. Incentives to support, particularly for marginalised communities and vulnerable populations	Master Builders Australia supports and identifies edits and additional actions in yellow regarding supporting infrastructure and support for those in need.

Objective	Actions	Master Builders Comment
All people belong and are welcome	Collaborate with state, territory and local governments, the private sector and community on cultural and creative opportunities, such as:	Master Builders Australia supports and notes priorities capture a focus on broader
Supporting community participation and creative talent	 providing national guidance for funding priorities relating to the creative sector, tourism, heritage and sport infrastructure 	community infrastructure needs.
though cultural organisations that sustain the arts, entertainment and culture in	 partnering with First Nations communities to create dedicated places for cultural practices and identify significant cultural sites 	
Australia's cities, particularly in partnership with First Nations	 ensuring community infrastructure can be used by diverse groups during the day and for the night-time economy 	
and multicultural communities. We will grow sustainable	 ensuring public spaces are safe, practical and accessible, with access to public transport, attracting a diverse range of people to access arts and cultural facilities 	
tourism and ensure heritage outcomes are embedded in	 identifying and capitalising on innovation and growth precincts 	
urban planning and infrastructure frameworks. We	• Engage in open collaboration across all levels of governments and between public and private stakeholder partners to find solutions, such as though:	
will promote equitable access to sport precincts in our urban	 engaging with communities to promote community values 	
areas and foster a sense of belonging in our communities.	 encouraging First Nations, culturally and linguistically diverse and youth participation through the strategic design and delivery of venues and facilities. 	
	• Enhance the visitor experience of our tourism and sport precincts through improvements to transport infrastructure, accommodation options, and public amenities that support mobility, accessibility and amenity.	
	• Support protection and enhancement of our significant heritage places and cultural landmarks in the urban environment. This includes committing to the recognition of Indigenous cultural and intellectual property.	
	Improve legacy infrastructure and facilities to support and strengthen our urban communities and grow youth participation.	
Our urban areas are safe	Collaborate with state, territory and local governments, to:	Master Builders Australia supports, identifies
Urban environments should be	 provide guidance on inclusive urban design principles to enhance urban safety for all 	edits/additional text to actions in yellow, and notes that resilience actions focus on
safe for all. This includes creating spaces that are inviting and where crime is reduced.	 promote the benefits of inclusive co-design of public spaces through the land use planning process across jurisdictions, to better inform the design and use of accessible, liveable and safe places 	planning and existing communities consistent with Master Builders advocacy priorities.
particularly for marginalised groups. Safety also extends to	 support research and reporting on national urban safety priorities, including indicators that measure access, safety and cohesion in cities in a placemaking context 	
ensuring people can live in places that are resilient to	 support the development of urban areas that are informed by current and projected climate risks and ensures that risk reduction is addressed in planning and construction 	
changing hazards, including heatwaves and storms.	 address disaster and climate risk in land use planning 	

Master Builders Australia (MBA) comments against six National Urban Policy Objectives

Objective	Actions	Master Builders Comment
	 implement measures to mitigate the impacts of rising sea levels, coastal erosion, flooding, bushfire and heat hazards in our planning and infrastructure frameworks 	
	 utilise road safety programs to make travel safer for all road users by improving safety standards and road design 	
	 Invest in place-based initiatives that seek to activate public spaces whilst also improving community safety and addressing the underlying causes of crime. 	
	 Manage future climate risks for the built environment by identifying high risk locations and revising policy, regulation and such as: 	
	 revise planning systems to prevent building homes and critical infrastructure where risk is not proposed or able to be mitigated in high-risk zones 	
	 for existing buildings, support communities and households to invest in risk reduction infrastructure, retrofit their buildings, or plan for managed retreat. 	
	Incorporate First Nations communities' valuable knowledge into resilience approaches.	

Our urban areas are	Collaborate with state, territory and local governments, to:	Master Builders Australia supports and
sustainable Supporting urban areas to improve sustainability and achieve net zero emissions by	 support the strategic coordination of the circular economy to guide Australia's regulatory, policy, research and industry landscapes 	identifies edits and additional actions in yellow. In response to these suggested changes, MBA notes the following:
	 better integrate and incentivise circular economy principles in urban planning, including the use of recycled and bio-based materials, more sustainable resource-efficient urban design, waste reduction and a focus on refurbishment and re-use 	This principle should recognise development of six sector net zero transformation reviews
2050. This will include ensuring strategic planning, land use and infrastructure frameworks	 support supply chain boosts, improving access to and the safe use of cost-effective low- and zero- emissions vehicles, including electric vehicles 	and plans being led by the Federal Department of Industry, Net Zero and Climate Change Authorities. The Built Environment is
<i>improve climate mitigation, and aid the transition to a circular economy.</i>	 reform urban planning and zoning rules to support emissions reduction outcomes, including prioritising mixed-use neighbourhoods that are close to amenities and employment and encouraging lower emissions active travel, such as walking and cycling 	one of the six sector pathways under consideration. Master Builders has signaled its support for
	 continue to improve energy performance ratings for buildings to minimise their contribution to emissions production, by supporting the retrofitting of existing buildings. 	the transition to a net zero economy but acknowledges there are risks in this that need
	 support and recognise in ongoing policy development six sector net zero transformation reviews and plans with a built environment plan being one of six sector pathways under development. 	to be mitigated and appropriate transition periods embedded in the policy development and regulatory reform process so a transition
	 enable appropriate capacity in the electricity and water utilities network to support the roll out of EVs, electrification of buildings and for flood/climate resilient communities. 	can be done well and effectively. Appropriate consideration of safety hazards
	 develop standard requirements for product and building product systems information to support embodied carbon measurement, circular economy and product safety requirements 	and risk associated with EV requirements for buildings is needed.
	 develop a national standard for considering disaster and climate risk in land use planning 	The National Construction Code 2022(23)
	 support the development of a national approach to developing urban areas which addresses current and projected climate risks and prioritises preparation and mitigation over rebuilding. 	thermal fabric, condensation and whole of house requirements for new residential
	 increase greening of public open spaces, streets and suburbs to act as natural cooling systems against heat-island effects. 	buildings and National Construction Code 2025 changes proposed for new commercial buildings do most of the work in getting us to
	 support the development of urban areas with networks of green and blue spaces to enhance liveability, support biodiversity, and provide places for recreation and connection to nature Invest in sustainability initiatives, such as: 	net zero for new buildings. Continuing to focus efforts on new buildings will now have limited impact on emissions reductions. The
	 measures to identify and mitigate the impacts of rising sea levels, coastal erosion, flooding, bushfire and heat hazards in our planning, building and infrastructure frameworks 	real gains are in the existing buildings which for the most part have significant room for
	 promoting greater use of active and public transport by improving the safety, connectivity and convenience of walking and cycling infrastructure and of electrified public transport options 	improvement.
	 incentives for existing households and buildings to improve their energy efficiency and sustainability 	Embodied carbon, retrofitting existing buildings, circular economy measures and
	 supporting education of current and future workforce skills in sustainable design, planning and construction methods 	enhancing skills and training requirements should be the focus of future work. The

Master Builders Australia (MBA) comments against six National Urban Policy Objectives

Objective	Actions	Master Builders Comment
	 improve sustainable decision making along the construction supply chain by providing a framework for the traceability and digitalisation of building product information 	National Construction Code (NCC) tends to be a catch all for reform but is not always the most appropriate pathway. Consistent requirements for embodied carbon measurement and circular economy
	 promoting circular economy initiatives, including at the community level, such as green waste programs for outer urban areas and composting facilities for inner-city areas 	
	 investing in nature-based solutions and green spaces to improve air quality, combat the effects of urban heat and improve general health and wellbeing 	principles are being developed through digital rating and product traceability tools and
	- supporting the installation of green roofs and walls to absorb heat and insulate homes and buildings	product information requirements.
	 planting trees and other vegetation to provide cooling and shading 	Appropriate network capacity needs to be
	- creating more wetlands to slow water flow and filter stormwater, to improve the health of our waterways	enabled for electrification (net zero) and storm water/flood management (resilience) by
	 increasing wildlife movement solutions infrastructure, such as land-bridge overpasses, fauna-exclusion fencing and log culvert koala crossings, to bridge the gap between habitats that have been broken up by human-made barriers. 	states and local authorities. This should be the priority focus of work in these areas.
	Ensure First Nations communities' valuable knowledge is incorporated into climate initiatives.	
Our urban environments and	Collaborate with state, territory and local governments to:	Master Builders Australia supports.
communities promote health and wellbeing <i>Strengthening connections</i>	 support strategic development and transport plans supported by land use planning systems that encourage walkability and rideability through the creation of networks of local destinations with good connections and amenity 	
between public spaces in urban neighbourhoods to enable people from all communities to lead healthy lifestyles, socially connect, and access natural environments and services.	 support the development of safe and well-designed community infrastructure 	
	 promote neighbourhood and land use planning that provides for well-designed social infrastructure to foster social cohesion, inclusion and identity within urban communities 	
	 support well-designed neighbourhoods that ensure access to grocer and food markets are integrated as an essential service 	
	Invest in community and environmental initiatives, in collaboration with state, territory and local governments, such as:	
	 delivering safe, accessible active transport infrastructure to encourage walking and cycling, improving health outcomes and reducing emissions 	
	 delivering inclusive social infrastructure such as community centres, parks and public spaces within easy reach of residents to promote social interaction and wellbeing 	
	 supporting measures that support urban heat resilience such as the use of cool paints 	
	- supporting the development of community gardens and parks to encourage connection with nature	
	 supporting the development of community gardens and parks to encourage connection with nature 	

Objective	Actions	Master Builders Comment
Our urban areas promote productivity Improving connection between people and goods through efficient, low-cost, accessible and active transport options and expanded telecommunications connectivity so people from all communities can work from anywhere and easily move between jobs, contributing to improved work-life balance. Ensuring that the migration system attracts workers with the right skills and that an effective and inclusive education system supports workers from all communities.	 Collaborate with state, territory and local governments to: improve strategic planning at all levels and consultation between governments and industry to ensure better coordination between freight infrastructure and networks, land use planning and urban development increase the quality and availability of infrastructure for active transport, such as walking, cycling and e-mobility, and support behavioural shifts to promote increased active travel within communities better coordinate Australia's migration settings, including through the development of a principles-based multi-year planning model for migration. Targeted and well-planned migration will help deliver better outcomes for Australia in infrastructure, housing, service delivery and the environment. streamline and facilitate the rollout of telecommunications infrastructure in greenfield developments and urban fringe areas (already underway through the Planning Ministers' Meeting) develop a nationally coordinated approach to mobile telecommunications provision to improve access to modern telecommunications in new developments. Identify and acknowledge productivity barriers impacting industry capacity to deliver buildings and infrastructure of the future in policy and regulatory activities Invest in productivity initiatives, such as: supporting development of secure, accessible housing closer to jobs, particularly affordable housing for key workers to access inner city jobs providing targeted support for vulnerable Australians, including people with disability, to help them travel to job opportunities and access education and training opportunities improving the resilience of critical infrastructure that are critical to the economic resilience and vulnerable to climate risks increasing the role of public transport in urban commuting to help develop more productive central business districts and precincts improving connectivity ba	 Master Builders Australia supports but considers built environment implementation barriers need to be identified in this priority as well. Suggested inclusions are provided in yellow in the adjacent actions column. The built environment is critical to maintenance and enhancement of our living standards and the quality of our built environment. Lifting productivity in the building and construction sector is critical to undertaking this task. Productivity in the sector has declined by 18 per cent over the last decade. This is a reflection a range of challenges occurring concurrently across the construction supply chain. Productivity barriers can be overcome through actions that contribute to decreasing cost and enabling productivity. Change requires: a combination of considered and measured approaches towards regulatory intervention minimising construction timeframes effective incentives to ease cost burdens investment in tools and strategies that support change (e.g. traceability framework) a clear view on the capacity and capability of the market to deliver effective information and education resources for energy consumers, property owners and industry to better understand and navigate requirements and outcomes.

Master Builders Australia (MBA) comments against six National Urban Policy Objectives

Objective	Actions	Master Builders Comment
		These barriers need to be acknowledged in government policy and regulatory settings and might be better reflected under this priority.

Principle	Action	MBA Comment
Principle City planning and governance must be collaborative and adaptive Cities need integrated long-term strategic planning (vertically across all levels of government and horizontally across different portfolios). This should align with the shared government vision for sustainable growth, informed by local communities and delivered in partnership with all levels of government.	Action Urban strategic planning must: • provide clear guidance and set specific targets which consider projected urban development (or change), support physical and social infrastructure and environmental services (blue and green space, biodiversity, water and air quality) • consider urban planning challenges and opportunities at the larger system level (e.g. natural river catchment level planning for flood resilience, supporting interdependencies and relationships between urban and regional areas) • prioritise any future urban investment and housing within the existing urban footprint first, and ensuring any development assessment or rezoning decisions falling outside the city's strategic plan are made on a case-by-case basis and aligned with the National Urban Policy principles. • create high-quality compact urban spaces by: • identifying the appropriate built form (mass and scale), providing the appropriate structural density for urban areas (e.g. developing a nationally consistent definition of urban density and its gradation) • ensuring higher density areas at the edges of cities are approved only if they are well located, support to surrounding regional areas • reflect a place-based approach that delivers shared value through: • meaningful engagement with local communities including Traditional Owners, First Nations people, multicultural groups, all levels of government, industry and academia • co-design processes to create functional, aesthetic and regenerative design reflective of the local culture, character and vibrancy of place • transparency and shared accounutability – informed people, informed decisi	MBA Comment No further comment

Principle	Action	MBA Comment
Purposeful place making increases wellbeing and connection Our human nature and needs are to belong, connect and be a part of a community. Our places now need to nurture the way we relate to each other, our environment and our culture, and foster reconnection for the health and wellbeing of our nation. This will require master- planning to ensure connected, environmentally regenerative, sustainable urban precincts and neighbourhoods.	 To achieve this all new investment, development and retrofitting must result in: urban areas designed in line with national best practice guidelines such as Creating Places for People: an urban design protocol for Australian cities and its 12 broadly agreed principles for quality urban places in Australia urban areas that improve human health and wellbeing and connection to nature, that significantly increase the area, quality and connectivity of green and blue spaces and ensure equitable access and share of benefits environmentally sensitive, healthy precincts and infrastructure that live within their ecological limits and achieve nationally recognised sustainable building and precinct ratings increased resilience through local and regional self-sufficiency urban areas that prioritise an adequate standard of living, quality of life and wellbeing, including accessibility and affordability of housing for all. This will be achieved through minimising capital and operational costs for occupiers to the maximum extent possible, including through designs and delivery approaches that: appropriately mitigate the impact of climate and natural hazards and retain or improve insurability of infrastructure and housing (where relevant); urban policies should align with national and international climate goals provide easy access to transport, services and employment options improve availability of community amenity and infrastructure use existing infrastructure or deliver common-user/multiple-use infrastructure where possible. 	No further comment.
Urban development should actively improve social, environmental and economic outcomes We cannot achieve sustainable urban development through business-as-usual approaches. We need transformational change across and within all five domains of urban planning (public, natural, social, economic, built) to promote actions that support equity, wellbeing and respect for	 To achieve this, through our urban investment and decision-making we must: reduce urban greenhouse gas emissions, integrate circular practices, achieve net zero targets in line with global science-based targets, and lead innovation in the built environment sector prioritise local circular economies to reduce (and avoid) natural resource dependency and use, eliminating waste and circulating materials and products at their highest value employ sustainable procurement practices by contracting locally first, diversifying the supplier base (supporting small and medium enterprises, First Nations businesses, minority businesses) and prioritising supplier sustainability credentials. 	No further comment.

Principle	Action	MBA Comment
individual rights while protecting our natural and built environment.		
Improving the evidence base will underpin urban innovation	 We need to monitor implementation of changes in cities to provide the evidence to inform future changes and drive improvement and innovation, especially through: collaboration between governments to improve the national urban evidence base, information and data a commitment to evidence-based policy interventions based on fundamental drivers of change ensuring public investment delivers publicly reported data and outcomes fostering increased innovation through rigorous evaluation of outcomes, living labs, and investment in high quality research a place-based approach to collecting evidence, shared measurement evaluation and learning which involves communities and stakeholders clear and consistent frameworks to measure progress and monitor implementation of plans, policies and programs in cities 	Support and suggest existing mechanism such as Australian Housing and Urban Research Institute (AHURI) lead this function.
Fair and inclusive development builds equitable communities. Inclusion, equity and fairness are integral to ensure that improved wellbeing outcomes are shared across urban communities. While economic factors play an important role in national wellbeing, there are additional factors that influence quality of life in Australia. Consideration of social and environmental outcomes must also be a mandatory part of decision-making to enhance urban wellbeing and equity.	 We must prioritise: plans and developments that address housing affordability and social equity. This involves implementing strategies to provide affordable housing options, reduce homelessness, and ensure that urban development benefits all segments of the population conserving biodiversity in urban areas and creating green spaces by integrating nature into urban planning to enhance environmental sustainability, provide recreational spaces, and improve overall wellbeing public health outcomes by promoting active transport, creating health-focused urban environments, and ensuring access to healthcare facilities providing equal access to services, in line with the UN-Habitat New Urban Agenda, eliminating discrimination through promoting inclusion and social cohesion across urban communities establishing urban communities that are safe where people are treated equally and feel a sense of belonging supporting sustainable use of resources to protect and repair the environment and in turn build restorative and safe urban communities improving results against indicators in the Measuring What Matters Framework, supported by strong urban indicators and performance measurement tools that inform urban plans, policies, programs, development, targeted investment and decision-making 	No further comment.
Fostering innovation and creativity hubs enhance	This will involve actions to:	

diversity and broadens •		
opportunities Australia's education system is a strong national asset that supports our economy, enhances employment opportunities and enriches our lives. Supporting lifelong learning will enable urban communities to diversify and	 Action fully integrate culture and creativity into local development strategies and plans, and ensure strategic cultural planning encourages local communities to respond to changing social, recreational, leisure and economic needs, in conjunction with: recognising and preserving cultural heritage in urban areas, fostering a sense of place and cultural vibrancy improving access to and participation in cultural life and the enjoyment of cultural goods and services, notably for marginalised or vulnerable groups and individuals encourage economic diversity, investment and innovation by understanding the competitive advantage the city offers and supporting a range of industries, fostering entrepreneurship, and supporting research and development prioritise education and lifelong learning opportunities in urban areas through supporting educational institutions, skill development programs, and initiatives that enhance access to quality education for all residents 	
tomorrow. Australia's cities must embrace technological	institutions, skill development programs, and initiatives that enhance access to quality education for all	