



**Canberra
Business Chamber**

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To Whom it may concern

ACT Planning System Review and Reform Project

Thank you for the opportunity to provide our comments to the ACT Planning System Review and Reform Project.

Canberra Business Chamber

The Chamber is the ACT's peak private business organisation. Our membership consists of more than 600 leading businesses, along with most of the Territory's industry and professional associations (our "kindred organisations"), who in turn represent many thousands of other businesses.

We support and commend to you the submissions to this review from Kindred Members, including:

- Master Builders ACT
- Property Council of Australia ACT
- Engineers Australia
- YWCA Canberra

The Chamber has supported the local business community since 1932 and is one of the founding members of the national peak business body, the Australian Chamber of Commerce & Industry. We represent every industry sector and type of enterprise found in the ACT, from large high-tech globally competitive firms, to microbusinesses, retailers, service sector providers, manufacturers, the professions, and not-for-profit organisations.

Our statement of purpose is clear: to drive the economic prosperity and growth of Canberra through business. The Chamber leads the discussion on the business and economic conditions facing the ACT, provides a range of services to our members, and helps members thrive and grow.

We provide a public voice for the business community, provide assistance and information for local firms, and deal regularly with the Chief Minister, Ministers, parliamentarians and other decision-makers to advocate for a stronger economy.



The ACT Business Landscape

The ACT private sector includes both for-profit businesses and not-for-profit organisations. There are 31,500 private businesses in Canberra that employ around 150,000 people (64% of all current jobs in the Territory), and 97% of these are small businesses employing fewer than 20 people.

Small businesses will be the drivers of the local economy's recovery. They are the linchpin of jobs creation and economic growth in the territory, and important decisions such as reform of the planning system should prioritise measures that help existing enterprises, encourage new entrepreneurial endeavours, and remove barriers to business start-up and growth.

In this environment, our local businesses are focused on recovery, growth, and adaption to manage the risks and opportunities ahead. They need support from the government to minimise the impact of legislative and regulatory changes which deliver no economic benefit but divert time and resources from both businesses themselves and from industry groups.

The impact of the planning system on the business community goes far beyond those directly involved with the built environment. Canberra businesses of every size and from every sector seeking to establish physical operations here interact with the system in the ACT. Unfortunately, the consistent feedback from small businesses about those interactions is consistently about long processing times, poor communication and outcomes which negatively impact their business.

These experiences have a direct impact on the willingness of private sector businesses to establish themselves and invest in the territory. The ACT Government's agenda of economic growth and diversification will see the ACT compete for investment with other states and territories. To do so effectively we must ensure that businesses' current negative perceptions of the planning system are addressed.

Engagement and Interaction with the Planning System and Planning Authority

The Chamber has previously communicated to Government the consistent feedback from members about the lack of understanding of business needs by government officials, and often disjointed and contradictory approaches from different areas of the ACT government. These practices act as a disincentive to business growth. They deter entrepreneurs and take up time that could be better spent operating and growing an enterprise.

Many public servants do not understand the constraints and challenges that business owners and managers face. We consistently hear that career public servants often do not fully appreciate what it is like to have to operate a business, take on risks and juggle the many (and sometimes conflicting) demands imposed on them by all levels of government.

The establishment of a new Planning Authority is an opportunity to increase knowledge and understanding of the business community. There are ways in which the Chamber, other peak industry groups, and government can work together to address this, and we have made some suggestions to create a greater level of business awareness within the public service.



Objects of planning Reform

We note that the stated objectives of the planning reform are to provide an outcomes-focused approach, accommodating deliverables beyond pure technical compliance, to include social outcomes such as wellbeing and recreation.

Measures that consider and further the wellbeing of the community are laudable. However, we urge the ACT Government to exercise caution when building these principles into the operations of a complex system.

Social outcomes such as employment and jobs creation are a consequence of business growth, and it is critical that when considering commercial projects, economic outcomes are considered and balanced against other shorter-term social considerations.

Care must be taken to ensure that the assessment of “social” and other outcomes do not create additional compliance, time or cost for businesses. This includes inadvertently broadening the opportunity for appeals against developments on these grounds that may be misguided (particularly when working with new regulations) or potentially vexatious.

Addressing the housing and accommodation crisis

Planning reform must specifically address the issues in Canberra’s housing and accommodation market. Stakeholders from every industry sector, and from community housing and community services all agree that we are dealing with a crisis.

Shortages in supply exist in both private and public rentals, affordable and social housing, community housing and market purchases. Whilst economic and policy reasons for supply shortages are clearly not all within the remit of the Planning Authority or even the ACT Government, there is a significant impact on the whole economy: our ability to attract and retain people, labour and skills in a highly competitive market, public expenditure on housing support services, and the overall wellbeing of the community.

Planning reform must have a priority to incentivise and meet the housing demands of business growth and population growth.

In conclusion

Thank you again for the opportunity to provide this input. While our comments have been general in nature rather than technical, we urge the ACT Government to consider how the planning system can support rather than hinder the growth and sustainability of the local small business community. This outcome is critical to the achievement of the Government’s economic growth and diversification agenda as set out in 2022’s “CBR Switched On.”

We would welcome the opportunity to discuss and explore any of these suggestions further, and please do not hesitate to contact me if you would like to do so.

Yours sincerely

Graham Catt
Chief Executive Officer