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## HIA Infrastructure Summit Highlights Need for Federal Action

The Housing Industry Association's Infrastructure Summit in Sydney yesterday heard that there are alternatives to the unaffordable up-front infrastructure charging model that is becoming prevalent in Australia.

"Ensuring an adequate supply of quality affordable homes is perhaps the foremost challenge facing Australia today," said HIA Managing Director, Mr Shane Goodwin.

"One substantial supply side obstacle is the proliferation in recent years of the 'user pays' upfront approach to physical and social infrastructure provision," Mr Goodwin said.

"Yesterday's Infrastructure Summit has well and truly outlined the case for change and the need for leadership to affect change."

"There are alternative funding models that can be implemented quickly and can have an immediate impact on housing supply and housing affordability."

"We cannot meet the housing supply needs of Australia if we keep doing what we are doing now," Mr Goodwin said.

At the conclusion of the summit 'Financing Urban Infrastructure - Australia's Housing Future', HIA outlined an Action Agenda, highlighting the crucial need for Federal involvement.

- Federal intervention to support borrowing programs for state and local governments facing infrastructure challenges. This might be incentives for local governments to borrow or the establishment of an Infrastructure Bank to attract superannuation funds to invest in local and state infrastructure.
- Local and state government federal infrastructure support could be tied to improvements in development approval systems.
- All levels of government need to engage with the community to outline the challenges that are being faced in delivering infrastructure and sustainable cities to demonstrate leadership about the new approaches we must take to funding new infrastructure. These are challenges for the whole community not just new home buyers.
- We should not be afraid of borrowing to fund the long lasting productive assets that support our cities. We should revisit the infrastructure corporations that used to borrow to deliver our urban infrastructure, often with the support of dedicated bond raising in which the community could participate.
- We should be exploring a range of ideas and proven solutions, for example a Tax Increment Funding (TIF) and community bonds (MUNI bonds) which work effectively in other comparable economies.

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