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Submission to the review of the draft Tasmanian Planning Policies (TPP)

Thank you for the opportunity to formally comment on the draft Tasmanian Planning Policies (TPPs) under Section 12E(l) of the *Land Use Planning and Approvals Act 1993*.

The Office of the Coordinator-General (OCG) provided input into the development of the TPPs in November 2022, focusing on our key areas of investment interest/impact and red tape reduction. These key areas included housing, with an emphasis on workers' accommodation (alongside social and affordable housing), environmental hazards identification early in the Development Application (DA) process and provision for State level hazard mapping, sustainable economic development to expand activities in the agri-tourism sector and a recognition of the demand for workers' accommodation in all industrial sectors of the economy, physical infrastructure with the suggestion that 'first-mover disadvantage' – first developer cross subsidies subsequent developers – be addressed as developers are holding off investment until someone else makes the first move. This still remains a serious infrastructure issue that needs to be resolved.

The overarching theme of the OCG's submission is to highlight the investment and development perspectives that are communicated by investors through the OCG. Planning reform processes and outcomes, including the 'making' of the TPPs impact directly on investment decision-making in the contemporary global investment context.

These investment perspectives contend that the draft TPPs as guides to planning 'aims' and 'principles' need to not only consider the limitations on what planning can influence but importantly, identify and respond to the matters – investment context – that can/should influence planning.

Investment Context in Tasmania: Background

Tasmania has not been spared the levels of disruption and uncertainty following the COVID-19 pandemic to supply chains and critical energy supplies exacerbated by ongoing geo-political tensions in Europe and the Asia-Pacific, rising inflation and interest rates and the potential threat of recession in key global markets. Tasmania's renewable energy platforms, its delivery on net-zero goals has attracted continuing investment interest in innovative advanced manufacturing, particularly in the energy sector, agri-foods, mining and tourism.

Tasmania is becoming of increasing interest to wider markets, which does bring with it unprecedented challenges to the very planning issues that are central to Tasmania's planning reform agenda. At a broad policy perspective these challenges include the development and redevelopment of settlements (responding to unexpected levels of growth or declining populations), future land use (demand and supply across all categories, particularly industrial land zoning), infrastructure provision (water, energy, transport and mobility efficiency together with the staples of health care, education, and aged care.)

These broad planning policy issues are highlighted by the risk assessment investors make when considering Tasmania as a potential site for investment alongside other options. These include site selection (cost and availability), infrastructure availability and reliability, talent attraction and retention (increasingly critical), housing (including for workers in more remote areas and across all sectors from tourism – accommodation and hospitality – to mining and energy production), health and education options, transport reliability and access, brand alignment, government support and assistance, including access and understanding of the Tasmanian Planning Scheme (TPS) requirements.

Planning Reform Agenda: Issues for Investment

A Fact Sheet for the TPS outlined the intent of planning reform:

“The Tasmanian Planning Scheme was intended to create a planning scheme that is fairer, faster, cheaper, and simpler that would make it easier to invest in Tasmania, encouraging more economic development and job creation.

One statewide planning system will provide confidence for those looking to invest and expand.”

The TPS was made in 2017 and adoption across Tasmania's municipalities does not appear to have met initial expectations.

The OCG notes that at the time of preparation of this submission the TPS – the most important planning reference point for investors regarding planning standards and local provisions, was still not operational in eight municipal areas – that include significant growth settlements, Kingborough, Derwent Valley and the strategically significant industrial LGA, George Town, where LPS Hearings are scheduled for July 2023.

The OCG's input to the draft TPPs (November 2022) highlighted the integrated relationships between the various aspects of the planning reform agenda and the impact this 'flow-on' effect has on the development perspective.

Development Perspective

The concern with the TPPs has always been on the impact, in terms of timeline extension, on the reform process and in particular, on the core provisions of the Statewide Planning Scheme the State Planning Provisions (SPPs) and their current review. For investors and developers, the SPPs are the key ‘rules’ they consider in relation to investment decision-making.

- Six years has passed since it was possible for Councils to adopt the Tasmanian Planning Scheme, SPPs.
- The SPPs were developed on the advice of a Taskforce representing industry, community, government agencies and expert planners in the private sector. It is entirely appropriate that after five years those SPPs should be reviewed and changed as required on the basis of input from interested stakeholders.
- The review of the SPPs is currently underway but now will be extended until the TPPs are ‘made’ – at earliest, late 2023 – and the SPPs are then reviewed (again) to align with the TPPs that will then inform any significant and strategic review of the Regional Land Use Strategies (RLUS).
- The ‘making’ of the TPPs will further extend the roll-out of the TPS. It seems reasonable to suggest that that timeline will then extend until 2024-2025 given the scope and scale of updating RLUSs regarding the TPPs. The RLUS which, given the growth Tasmania has experienced (particularly over the past five to six years) are out of date and planning scheme amendments require evidence from the RLUS to support presentations before the Tasmanian Planning Commission.

The OCG suggests that these timelines will not meet the critical needs that influence investment site selection or for some of the drivers for further investment.

This OCG’s submission to the TPC reiterates the concerns made in relation to the draft TPPs in November 2022:

- it is important the objectives and strategies of the TPPs are well considered and grounded in economic reality and global investment decision-making imperatives.
- the importance of providing sufficient land for future industrial use and provision of workers’ accommodation, particularly in regional areas, has been highlighted in the TPPs and is commended.

In addition, the OCG also identifies an overlap of considerations of liveability and accessibility, tourism facilitation, commercial and industrial development and the importance of cultural and creative activities to community wellbeing within the TPPs and similar considerations within Tasmania’s draft Sustainability Vision anticipated for release in 2024. Perceived duplication of policy frameworks doesn’t necessarily provide investment confidence for those looking to invest and expand.

The OCG considers that the TPPs as planning instruments – rather than rules (SPPs) – guiding planning outcomes should not overreach to suggest strategies for the seven TPPs themes. Strategies imply outcomes and the existing objectives of the *Land Use Planning and Approvals Act 1993* define those sustainable development objectives, pertinent to the purpose of the Regional Land Use Strategies.

The OCG would welcome the opportunity to provide further comment as part of the Tasmanian Planning Commission's public hearings into the TPPs.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Perry', with a stylized flourish at the end.

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