



# Building Business and Jobs

Canberra**liberals**

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# Building Business and Jobs

The Canberra Liberals believe in the importance of diversifying Canberra's economy, to strengthen our city against future contractions in Commonwealth Government activity, to provide more job opportunities for young Canberrans and to help our city reach its enormous potential.

Canberra must have a business policy environment where people have confidence to invest, to employ, to take risks and to innovate.

It is generally recognised that the ACT has limited potential in many of the more traditional areas of industrial activity, such as mining and manufacturing. There is considerable potential, however, in some new and emerging industries that have characteristics that are particularly well suited to the attributes of our city and our region.

To diversify our local economy and extend our economic base, we need a strong partnership between industry and Government.

The Canberra Liberals understand how essential it is to present Canberra to overseas markets as a positive destination for investment. The Canberra Liberals will ensure that the general business community is well aware that Canberra is 'open for business'.

## Research and Development Grants

A critical issue for smaller Canberra businesses is to have the capacity to grow into the larger and competitive businesses of tomorrow. Canberra has a strong base of businesses and entrepreneurs that have a strong technical capability. This means that many enterprises are started in Canberra on a very small scale and, because of their size, they lack the necessary resources to fund adequately critical activities such as research and development, and commercialisation.

The Canberra Liberals recognise the impact of such factors as these on smaller, emerging businesses and will provide assistance to businesses to help overcome these hurdles.

**The Canberra Liberals provide up to \$2 million each year to fund research and development and commercialisation projects being planned by Canberra businesses. We will build up the amount of R & D support over three years, as follows.**

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
R & D Grants		1,000	1,500	2,000

Grants will be provided to Canberra businesses, on a competitive basis, after the assessment of applications. The focus of these grants will be on the early stages of innovation and development of the commercial spectrum. This acknowledges the difficulty of obtaining finance for these smaller businesses, as it can be difficult in the early stage of a project for these businesses to capture the benefits of their research and development activities.

All technologies will be eligible for support from these grants. At the same time, there will be an emphasis on information and communication technologies, as the ACT has particular expertise in these technologies.

## Taxes and Charges

The Canberra Liberals are concerned at the way in which many taxes impact on business and on the community generally. We will conduct a broader review of taxes and charges in the ACT to consider the inefficiency, the behavioural effects and the disincentives that some taxes can create. This review will involve consultation with the business community and other interested organisations and individuals. The Treasury will conduct the review within existing resources.

## Outdoor Café Tax

To demonstrate the intentions of the Canberra Liberals, on forming government we will immediately get down to business by reducing imposts on business. Our first target is the outdoor café tax: this tax raises a very small amount of revenue each year while it imposes a considerable burden on business owners.

**The Canberra Liberals will repeal the outdoor café tax. The repeal of this tax will have a cost to revenue of \$300,000 per year.**

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
R & D Grants		300	309	318

## Civic – Canberra’s CBD

Civic has been looking increasingly run down and untidy in recent years. The Stanhope Government failed to invest in urban maintenance and it then imposed an additional tax on businesses in Civic as a condition for cleaning up the central areas of the city.

Planning in Civic has been haphazard, with no Master Plan for what Civic should look

like. In 2005 Planning Minister Simon Corbell argued that there was *no* demand for the sale of land around City Hill. And just two years later in 2007, a section of land on London Circuit was sold for the massive sum of \$92 million to developers. This land was sold without a Master Plan for how the land should be used or how any development should blend into the surrounding precinct.

**The Canberra Liberals will commit \$750,000 to develop a Master Plan for Civic.**

By adopting this approach, it will be possible to develop a renewed vision for Civic and to achieve greater coherence in the investments made by both the private sector and the ACT Government to restore a sense of pride and modernity to Civic.

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
Master Plan for Civic		750		

## Relationship between the ACT and the Commonwealth Government

One issue that has a significant impact on the development of the ACT is the approach of the Commonwealth Government towards the ACT. The Commonwealth has a distinct role in the ACT because of the way in which the ACT was established. The recent inquiry into the National Capital Authority, which was conducted by the Joint Standing Committee on the National Capital and External Territories, proposed a new high level forum to facilitate co-operation between the two Governments.

The Canberra Liberals support the recommendation of this Committee that a National Capital Consultative Council be established, with representatives from the Commonwealth Government and the ACT Government, the community and business. The Council would be co-chaired by the responsible Commonwealth Minister and the ACT Chief Minister.

## Infrastructure Canberra

The Infrastructure Canberra policy announced by the Canberra Liberals in May involves a four pronged approach to elevating the importance of infrastructure planning and for ensuring that investment is managed effectively.

A Canberra Liberal government will establish a Canberra Infrastructure Plan. Under our plan, we will design and fund infrastructure works to meet the demands of population growth ahead of time. We will aim to prevent bottlenecks and shortages before they arise. We will model pressures on twelve priority areas of infrastructure investment – from roads, hospitals and schools to water and communications. Further, we will ensure that maintenance and refurbishment of

assets is planned well in advance, before ageing infrastructure begins to degrade and fail.

The Canberra Liberals will rectify the backlog in infrastructure work that has built up under Stanhope Labor. Our transport, education and health policies identify fully costed solutions to fix serious bottlenecks which Stanhope Labor has allowed to develop.

We will appoint an independent Infrastructure Commissioner to regularly audit the state of our infrastructure, to consult with the community on their current priorities and to report annually to parliament on what has been achieved. We are not afraid of being held accountable or making advice to government transparent for public scrutiny.

The Infrastructure Commissioner will be backed up by an independent board which will include a balance of industry and community representatives. This board will enhance community input; ensure private sector expertise is heard in the debate and will strengthen the independent scrutiny of government investment.

The Canberra Liberals will create a stand alone Public Works Committee in the Legislative Assembly. The Assembly has never properly scrutinised public works, even though the ACT Government carries the double responsibilities of both state government capital works and municipal government capital works. We will ensure that the Public Works Committee is properly resourced so that it can scrutinise major public works proposals.

Under a Canberra Liberal Government, the Canberra community will be able to boast again that they live in the best planned city in Australia.

# Tourism

Canberra's tourism industry is a major employer and contributor to the ACT's economy. The Canberra Liberals announced plans in our tourism policy to restore some of the resources that Stanhope Labor has cut out of this critical industry.

## Marketing Canberra to the World

A Canberra Liberal Government will make a serious investment in tourism marketing of Canberra and in raising the profile of our city as a destination. This investment will help increase tourism and economic activity in the ACT.

A Canberra Liberal Government will increase annual tourism funding by around 20 per cent by 2010, with an additional \$9 million in funding over the next four years. The new funding for promoting the Territory will be scaled up incrementally, to allow the development of effective marketing campaigns ahead of increased investment in strategy, product development and increased marketing materials.

The new funding provided by a Canberra Liberal Government will be a real and genuine increase. We will publish disaggregated financial details to reveal the true spending on tourism, events, sporting and other programs, to ensure openness and transparency.

Investment in tourism yields a return for the whole Canberra community. In 2003-04, for example, the ACT Government spent \$22 million on tourism and promotion of the ACT – and, in return, received \$107 million in indirect taxation revenue flowing back to public coffers. Tourism funding is an investment that delivers a return to the community, a return that will allow ACT Governments to pay for the services that Canberra residents need.

The Canberra Liberals' will make tourism a priority once more, after seven years of neglect from the Stanhope Government.

## Canberra Tourism

The ACT is the only jurisdiction in Australia without an independent tourism authority. In 2006, the Stanhope Government shut down Australian Capital Tourism Commission, an organisation that had been working hard to promote Canberra as a destination. It absorbed the agency into an unrelated department.

It is essential that the ACT has an independent tourism organisation with appropriate flexibility and is not confined within a departmental structure or by bureaucratic strictures. An independent authority can react quickly to opportunities as they present, cope quickly with threats to visitation and work co-operatively with the Commonwealth Government and industry.

The Canberra Liberals will re-establish an independent statutory authority to be called Canberra Tourism to develop and promote tourism in the ACT and region. We will reduce bureaucratic interference and allow tourism officials to act in a more commercial and independent way.

## New International Convention Centre

The future of Canberra as a tourist destination is closely linked to the health of the local convention industry. Canberra has good convention facilities, but it would draw a far better share of the national and international convention market if it had a new international standard convention centre.

In 2006, the Canberra Liberals proposed a concept for a possible new international standard convention centre. This convention centre will have to compete on the international stage, against major convention facilities located across Australia and throughout the region. Consequently, this centre has to encompass a range of facilities to provide a variety of convention and meeting options, accommodation across different standards, a selection of tourism and associated services and the convenience of access to the Canberra Central Business District. In addition, as befitting the nation's capital city, this centre has to have the capacity to cater for large scale international conventions and meetings.

A new convention centre befitting the nation's capital will be beyond the capacity of the ACT Government. Consequently, some form of partnership with the Commonwealth Government will be required: this partnership agreement with the Commonwealth would include a financial contribution to assist in funding the development. Given the different facilities and services that will be considered for the centre, investment from the private sector also will be encouraged.

## Permanent Home for Floriade

Commonwealth Park has proven its worth time and again as a beautiful home for the annual Floriade event. The Stanhope Government has set aside funds in 2008 to find a new site for Floriade.

Stanhope Labor has gone even further in its election policy by proposing to move Floriade to a permanent location at the site of the Arboretum among an inaccessible forest of seedlings on the side of a windswept hill. The Stanhope Government has wasted seven years failing to secure a permanent home for Floriade. Labor has not explained how parking or road access for Floriade visitors could be accommodated at the Arboretum. This is another case of the Chief Minister pushing forward one of his white elephant ideas, without consulting the Canberra community.

The Canberra Liberals believe there is wide-spread support for keeping Floriade on the shores of Lake Burley Griffin. There is no more beautiful location in Canberra for this iconic event.

A Canberra Liberal Government will seek a 100 year agreement with the Commonwealth Government to secure a permanent home for Floriade at

Commonwealth Park. In return for securing a uninterrupted option to operate Floriade at Commonwealth Park, we will offer to invest up to \$10 million in Commonwealth Park, to enhance the amenity of the space and to secure a permanent home for Floriade.

We have listened to imaginative suggestions from businesses in the tourism industry that could be incorporated into Floriade. We will offer to invest up to \$10 million in new and upgraded facilities at Commonwealth Park including:

- refurbishment of Stage 88, including upgraded toilets and dressing rooms;
- construction of kitchen and catering facilities in a central location (possibly adjacent to or near Stage 88);
- investigation of the feasibility of a shallow summer swimming area suitable for families with young children (for instance, adjoining Nerang Pool – as a small scale version of the pools at South Bank in Brisbane);
- refurbishment and expansion of toilet facilities;
- construction of raised walkways to allow panoramic views of key garden beds (the proposed walkways would be unobtrusive and away from the centre of the garden displays – such as running along the edge of the park adjoining Parkes Way)
- addition of fountains, public artworks and improved lighting; and
- contribution towards upgrade and maintenance of in-ground irrigation systems.

These proposals will need to be individually agreed to by the National Capital Authority and we will also consult the Canberra community through a formal consultation process, to ensure that there is genuine public support before we proceed with any enhancements to this valued public space.

## Canberra Art Biennale

The national institutions in Canberra house the most impressive collections of artworks in Australia. The National Gallery of Australia, the National Portrait Gallery and the Australian War Memorial are among the greatest drawcards in the national capital.

These institutions have shown that major art events can be powerful attractions for tourism. The National Gallery has been able to draw very large numbers of visitors to Canberra, to view blockbuster exhibitions of art. In recent years, however, there has been emerging concern that overseas institutions are more reluctant to lend precious artworks, due to the heightened risk of damage to artworks during transit to Australia and to damage while they are on exhibition in Australia.

Despite the premier position that Canberra enjoys as a home to wonderful publicly owned art, our city does not enjoy a strong reputation as a centre of contemporary art. Melbourne and Sydney, on the other hand, have been very effective at hosting major contemporary art events to attract tourists. The recent 16th Biennale of Sydney, for instance, attracted 435,000 visitors. Research has shown that a number of high income art lovers are prepared to travel interstate to see art – not just to admire it, but also to buy it.

A Canberra Liberal Government will inaugurate the Canberra Art Biennale that will more than rival the Biennale of Sydney and the Melbourne Art Fair. Unlike these other events, however, the Canberra Art Biennale will also involve co-ordinated art

exhibitions involving public institutions throughout Canberra. This provides Canberra with a significant point of marketing differentiation.

Visitors to Canberra will be able to follow an Art Trail that takes them around the various displays of contemporary art works. In addition to viewing works of national significance, there also will be works that are for sale. The Biennale will provide Canberra's public institutions with a valuable opportunity to rotate works, which have not been seen for some time, out of storage.

The Canberra Art Biennale will be held in summer and will be based around the parliamentary triangle. Our public art institutions are within easy walking distance of each other and venues such as the Albert Hall, the Hyatt Hotel and the Great Hall in Parliament House will also be considered as locations for the display of art works.

A Canberra Liberal Government will provide \$1 million of towards the operating costs of the first Biennale in 2010. We anticipate that some of this investment can be recovered through commission on sales; in addition, there will be a broader return to the Canberra economy through increased visitor numbers.

The funding details for our keynote tourism initiatives are set out below.

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
Additional investment in marketing the ACT as a destination	1,000	2,000	3,000	3,000
The 2010 Canberra Art Biennale		500	500	
Investment in Commonwealth Park infrastructure		10,000		

## Other Tourism Initiatives

The Canberra Liberals also will:

- develop a calendar of events based on each of the seasons, with each season having a key event, supported by a number of other events;
- increase funding to national capital education tourism programs and assist national institutions in marketing their exhibitions to schools;
- undertake a comprehensive review of the *See yourself in Canberra* branding campaign within six months of taking office, to refresh or replace the campaign with more effective messages;
- develop a *Come and visit me in Canberra* pack for diplomats and international students that can be used to sell Canberra through the thousands of international students and diplomats who live in Canberra;
- deliver appropriate courses, through schools, vocational training providers and tertiary institutions, to continue training a high quality tourism and hospitality work force; and
- hold annual forums on the future of Canberra's tourist industry, to generate ideas for new attractions and events, to develop strategies to respond to emerging issues and to stay ahead of our competition.

# Establish Business Canberra

It is difficult for business to deal with government when it confronts piecemeal single issue agency structures that fail or refuse to communicate with each other.

**A Canberra Liberal Government will establish a single unit titled Business Canberra to bring together all the resources that are currently devoted to business policy development and business programs.**

In addition, a number of other smaller agencies like the Skills Commission will be relocated to sit within Business Canberra. The intention will be to develop a range of efficiencies, while avoiding duplication and the establishment of more bureaucracy. Business Canberra will be funded through the Chief Minister's Department and from a range of cost saving and amalgamation initiatives

## Review Business Legislation

Businesses in Canberra have had to deal with increased red tape, bureaucracy and government processes that do not add any value to their business. Unfair taxes are also a major concern for ACT business and need to be reviewed as part of an overall reform package.

A Canberra Liberal Government will immediately commence a thorough review of the regulatory environment, with a view to removing red tape and unnecessary burdens on business. This review will be done in conjunction with peak business groups through Business Canberra and will tackle such matters as:

- business taxes and other burdens imposed by Government that add costs to business;
- compliance time and its impact on productivity;
- harmonising legislation and regulations with other jurisdictions where appropriate; and
- identifying specific needs concerning workforce and skill shortages.

## Cross Border Consistency

For seven years, Stanhope Labor has used the ACT as an incubator for new regulatory experiments, without considering impacts on business. Businesses have been expected to adapt to new requirements quickly and comply with a raft of new laws that do not provide them with any value or commercial benefits.

The changes to Unit Title laws pushed through parliament by the Stanhope Government, is a perfect example. The Stanhope Government chose to develop a completely new and untested unit title system for all the 30,000 unit title owners in the ACT – when both NSW and Queensland already have well established and effective unit title administrative frameworks.

Similar concerns exist with developers, who find ACT planning systems frustrating and slow compared to their experience in other jurisdictions. A less bureaucratic approach in other jurisdictions has the effect of reducing holding costs and therefore making housing more affordable. Rather than 're-invent the wheel', the ACT is ideally positioned to learn from other jurisdictions and to enact compatible practices.

**The Canberra Liberals believe that, as far as is practicable, the ACT's regulatory environment for business should be compatible with world's best practice and also be as consistent as practicable with other Australian jurisdictions – particularly NSW. The Canberra Liberals will implement a regulatory regime that is harmonised as far as practicable with that in NSW, so as to reduce compliance costs, increase business profitability and make ACT business more competitive.**

## Child Care Facilities

The Canberra Liberals recognise that the availability of high quality child care facilities is increasingly important for Canberra families. It is evident that the demand for child care places is very strong and there is pressure in some locations for more places to be provided.

The Canberra Liberals will invest \$4 million to construct two new child care centres in Canberra – one in the north of the city and the other in the south of Canberra.

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
Capital – Child Care facilities		2,000	2,000	

## Affordable Housing

The Canberra Liberals believe that the existing stamp duty for first home buyers is grossly excessive and creates a barrier to entering the market.

The Canberra Liberals will exempt first home buyers from paying stamp duty on properties up to the value of \$500,000. This tax cut will help revive demand in a segment of the market that is vulnerable and will help put confidence back in the property sector. This is just part of our comprehensive plan to make housing in Canberra more affordable.

We will provide eligible purchasers with an exemption from conveyancing duty on homes valued up to \$500,000 and we will also provide a concessional rate of duty for homes valued between \$500,000 and \$600,000.

Treasury has estimated that first home buyers will be spared \$114 million in stamp duty. This will lower borrowings and increase disposable income for young home buyers.

The tax cut will have a positive impact on consumer spending and as a result it will improve business revenue and jobs.

Treasury's estimates of the tax cuts are set out below.

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
Stamp Duty	19,185	29,058	32,042	33,971

## Procurement Review

The ACT Government can do more to buy from its local business base. While some contracts can only be satisfied by larger organisations and multi-nationals, given the size and complexity of certain contracts, the ACT Government should as a purchaser of goods and services endeavour to source these products from its local business base before looking elsewhere.

**A Canberra Liberal Government will make changes to ACT procurement guidelines to encourage ACT Government Departments to source services firstly from ACT businesses. Where ACT suppliers have the required expertise, have a product of competitive quality and are cost-effective, then ACT suppliers should be considered in any final short-list.**

The current procurement process for ACT businesses to secure ACT Government work is burdensome and unnecessarily bureaucratic. Some Government agencies selectively bypass competitive processes to seek sole source tenders, advantaging favoured suppliers over other companies which have to jump through all the hoops each time they seek government contracts. As a result, a number of Canberra businesses have indicated to the Canberra Liberals that they simply no longer tender for ACT Government work.

Through Business Canberra, a Canberra Liberal Government will immediately assess all procurement processes and protocols in the ACT to streamline ACT Government procurement processes and systems. This can be done without diminishing the overall integrity of the procurement system and will consider such things as:

- liability requirements;
- insurance stipulations;
- compliance and inconsistencies with other jurisdictions;
- best practice;
- developments towards nationally consistent contracting frameworks; and
- enhancing access to procurement and contract opportunities by smaller businesses.

## ACTPLA Reforms

Large and small businesses and even individuals have struggled to cope with a planning system that seems simply unworkable. The Canberra Liberals have real solutions that will help unblock the system and allow the ACT Planning and Land

Authority to do its job.

We will establish a taskforce to assist with clearing the bottleneck of development applications that has built up since the Planning Act was changed in March 2008. ACTPLA's customer services branch is congested with a backlog of work. Staff will focus on applications that have been waiting the longest time for processing and on applications where jobs are at direct risk from delays in approvals. We will minimise the cost to the taxpayer through the reallocation of staff from existing areas where staff are doubling up on functions or working in units that are now redundant.

We will establish a Small Business Response Team in ACTPLA to provide specialised advice to small builders, associated construction professionals and contractors, owner builders and home renovators. This team will operate a field operation as well as an advice line and over-the-counter help. The team will help small entities to navigate the planning system and trouble-shoot misunderstandings over the application process.

The Canberra Liberals will increase competition by ensuring there are no public or private monopolies over land development. We will remove bottlenecks by making land developers compete and by removing red tape. By diversifying the mechanisms for land delivery, it will be possible to speed up the supply of land to market and use competitive forces to bring prices within the reach of young families.

We will reduce the timeframe between the announcement of a sub-division being released and when it is available on the market. This will be done through better planning within ACTPLA and an acceleration of the preparation of Estate Development Plans by both the public and private sectors.

## Rejuvenating Suburban Shopping Centres

Most of Canberra's suburban shopping centres are decades old and a large number are well overdue for refurbishment. The Canberra Liberals will invest \$9.5 million over the next four years to renew the public spaces at our suburban shopping centres.

Our program of investment will involve major upgrades to the most rundown local shopping areas, to create a safer, more attractive environment for shoppers and families. This investment will ensure that our suburban shopping centres get a genuine new lease on life. Unlike Stanhope Labor, we have an ongoing program, not a single year pre-election fix.

A key part of the upgrade will include investment in water saving measures including rain and stormwater capture for use in toilets and in garden beds. We will seek partnership agreements with local shops to permit capture of roof water for a range of public watering purposes, in exchange for public investment in surrounding public spaces.

The Canberra Liberals will also invest \$1 million extra every year to improve the repair and maintenance of our city. We will improve graffiti removal, rubbish collection, shrub plantings, weeding, sweeping and mowing of our roads, paths, verges, parks and public places. We will restore pride in our city and ensure that

visitors and locals are able to appreciate our truly beautiful city.

Extraordinarily the latest Labor budget provided only one year of funding for this extra activity – cynically covering the election year only! A Canberra Liberal Government will spend \$3.1 million over the subsequent three years.

	<b>2008-09 \$000</b>	<b>2009-10 \$000</b>	<b>2010-11 \$000</b>	<b>2011-12 \$000</b>
Shopping Centre Renewal	500	3,000	3,000	3,000
Look of the City Maintenance		1,000	1030	1061

# The Challenge of

Canberra**liberals**