

Property Council calls on Government to build a competitive economy

South Australia needs a paradigm shift in its approach to tax, urban design and governance if it is to climb out of the current financial crisis and build future prosperity.

The number one priority in the Property Council's South Australian Pre-Budget Submission is the urgent need to overhaul the state's outdated and uncompetitive property taxation system.

"Land tax rates and thresholds in South Australia are woefully uncompetitive, driving away investment and hurting businesses at a time that we can least afford to do so,

"Other Governments have recognised the impact that uncompetitive land tax rates have on the business and investment environment and put into place measures to alleviate this pressure. It is now time for the South Australian Government to do the same," Property Council Executive Director Nathan Paine says.

"This must be resolved as a matter of urgency, and it must be coupled with a strong platform for growth from which we can deliver a competitive economy."

The Property Council's pre-budget submission maps out this platform, calling for ongoing, sustainable growth in the built environment, a program of urban renewal to help house the state's growing population and an empowered Local Government sector armed for delivering the substantial changes facing the state.

"The most politically sensitive element of this submission is a call for a review of local government," Paine says.

"A wide-ranging review of the sector should deliver a responsive, progressive and cohesive local governance structure, considering issues such as the sector's accountability, its responsibilities and its linkages to broader state directions.

"This is not a broadside at Local Government. Rather it's a call to recognise the sector's huge potential to redevelop Adelaide for the future, a city prepared to deliver prosperity from our potential in resources and defence, potential unhindered by the current financial crisis."

"All of our recommendations are linked to the Key Performance Indicators set out in *South Australia's Strategic Plan*, a Plan that we support and a Plan that is putting South Australia on the path to prosperity"

"The overall message to Government is that we all know that times are tough and money is tight, but tough times need tough answers. While some of our recommendations cost dollars, they make sense. If we can pull the right policy levers, we will deliver a State that is the best place to live, work and invest in the nation – this is our opportunity to shine."

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