

5 October 2026

Queensland Competition Authority
Price Monitoring Investigation
Level 27, 145 Ann Street
Brisbane QLD 4000
Via online portal at www.qca.org.au

Property Council Submission on Queensland Competition Authority's Price Monitoring Investigation: Unitywater and Urban Utilities

The Property Council of Australia welcomes the opportunity to provide this submission on the Queensland Competition Authority's (QCA) Price Monitoring Investigation: Unitywater and Urban Utilities 2026-2030.

As the leading voice for Queensland's property industry, the Property Council represents more than 450 member companies who invest in, design, build and manage the homes, precincts and workplaces that underpin Queensland's growth. Our members are committed to delivering the housing supply, community infrastructure and employment land required to keep Brisbane and Queensland affordable, attractive, globally competitive and sustainable.

The planning and delivery of essential infrastructure is of paramount importance to the property industry as Queensland continues to experience significant growth. This submission informs the QCA of current difficulties experienced by industry in the planning, coordination and funding of essential infrastructure – particularly water and sewage services – across South East Queensland.

The Property Council acknowledges and appreciates the engagement from both Urban Utilities and Unitywater throughout the Phase 2 Submission process, including the efforts of both entities to keep industry informed of their respective work and approaches to these matters.

At the outset, we recognise that the capital planning and pricing of water services is a highly technical and regulated area. Our comments are therefore focused on the broader market conditions affecting industry and its capacity to deliver the housing, industrial and employment land required to accommodate South East Queensland's growth.

Infrastructure planning, coordination and delivery

The Property Council's primary focus in the utilities space is the timely identification, planning, coordination and delivery of essential and trunk infrastructure to support new and growing communities. Without connected and functioning water and sewerage services, development cannot proceed or may face significant delays while the necessary infrastructure is planned and delivered.

While outside the QCA's remit and the scope of this Price Monitoring Investigation, the Property Council remains focused on advocating for a planning and infrastructure framework that clearly identifies future growth areas and provides certainty to government, industry and the community about where and how South East Queensland will grow. Reviews currently underway, including the South East Queensland Regional Plan Review, provide an important opportunity to establish a clear and evidence-based understanding of the urban footprint and areas capable of accommodating future development.

At the same time, the Property Council recognises that an area identified as developable within a planning framework may not always be commercially or practically feasible to develop due to market, infrastructure or other constraints. Conversely, opportunities may arise in areas not currently identified for development that are more readily capable of being developed and serviced by essential infrastructure. Maintaining appropriate flexibility within Queensland's planning system to respond to these circumstances will be important to ensuring South East Queensland can accommodate continued population and economic growth.

Alongside the need for a clear and consistent understanding of where development can occur, the Property Council also notes the misalignment between statutory planning frameworks, utility planning frameworks and separate regulatory requirements or oversight that applies to utility providers. This misalignment can create challenges in identifying and delivering capital works in a timely manner and coordinating utility investment with broader planning and development activities in identified growth areas.

Greater alignment between land use planning, infrastructure planning and utility regulatory processes would provide greater certainty for all parties and support more efficient and timely delivery of the infrastructure required to accommodate South East Queensland's growth.

Industry supports efforts to streamline and better align utility-specific regulatory and planning processes with the statutory planning framework, enabling these processes to be undertaken concurrently wherever practicable. Greater alignment between statutory and utility planning would support more efficient decision-making, provide greater certainty to all relevant parties and more efficient delivery of new or upgraded infrastructure where necessary.

For example, some water providers are undertaking Netserv Plan reviews separately from Regional Plan and other strategic planning policy reviews. This creates a risk that a Netserv Plan may not adequately reflect new or updated requirements identified through a Regional Plan, Regional Infrastructure Plan or other strategic planning processes. This can create uncertainty for industry and the community about which plan takes precedence and, consequently, what this means for future planning, infrastructure requirements and delivery timeframes.

Trunk and essential infrastructure funding

The Property Council has commenced preliminary engagement with the Department of State Development, Infrastructure and Planning regarding recommendations contained in the Queensland Productivity Commission's *Final Report into opportunities to improve the productivity of the construction industry*. Recommendation 30 calls for a review of Queensland's infrastructure charging framework, which is an important component of ensuring infrastructure can be appropriately planned, funded and delivered to support growth.

The Property Council maintains its position that the current infrastructure charge cap of up to \$38,029.25 per item contained within Local Government Infrastructure Plans or Priority Infrastructure Areas should be retained as an important cost-containment measure to support project feasibility and new development, particularly new housing. However, with construction, material and labour costs continuing to increase, there is also a clear need for further government investment to address historical underinvestment in trunk and essential infrastructure across Queensland.

The Property Council welcomes the Queensland Government's \$2 billion Residential Activation Fund (RAF), together with the more recently announced Infrastructure Activation Fund (IAF). These initiatives are critical to supporting industry, utility providers and communities to plan for and deliver the trunk and essential infrastructure required to unlock new development across the State.

The Property Council continues to advocate for the RAF to be made permanent and for reasonable adjustments to its eligibility and funding settings, including:

- Targeting funding towards high-growth areas, particularly across South East Queensland, where infrastructure constraints are limiting the delivery of housing and other development; and
- Expanding eligibility to include projects proposed by Urban Utilities, Unitywater and other utility providers, enabling funding to support the delivery of trunk infrastructure in a way that minimises costs for industry, utility providers and customers.

The strong demand for two rounds of RAF funding demonstrates both the scale of infrastructure investment required to support Queensland's growth and the financial challenges faced by industry and utility providers in planning and delivering new or upgraded trunk infrastructure. Sustained government investment will be critical to ensuring infrastructure delivery keeps pace with Queensland's population and economic growth.

Utility performance

The Property Council receives consistent feedback from members regarding two key aspects of utility provider performance.

The first is the timeliness of delivering new or upgraded infrastructure connections to support growth, particularly in areas experiencing rapid population growth and urban expansion. Delays in the delivery of essential infrastructure can directly affect development timeframes and the ability to bring new housing and employment land to market.

The second is the difficulty industry can experience in negotiating Infrastructure Agreements where trunk or essential infrastructure is not identified or adequately provided for through a Local Government Infrastructure Plan (LGIP) or Priority Infrastructure Area (PIA).

For water services, the latter issue is particularly significant. Where infrastructure requirements are not clearly identified through established planning frameworks, negotiations between developers and utility providers can involve significant uncertainty regarding the scale of infrastructure required, the associated costs and the appropriate allocation of those costs.

These factors combine to add delays and time to project delivery, incurring further costs for project proponents and customers in the long term.

In new residential and industrial developments, negotiations over the scale and responsibility for new infrastructure often results in a 'first mover disadvantage', whereby the first developer to commence development within a broader growth area may be required to fund infrastructure that ultimately benefits subsequent development by other parties. These costs are often absorbed by one developer and are not apportioned to or recovered from other landowners who will use the infrastructure over time. These scenarios materially affect project feasibility and create inequitable cost outcomes where infrastructure is intended to service a broader catchment or future development area.

Greater upfront coordination between land use planning, infrastructure planning and utility investment would help identify infrastructure requirements earlier, provide greater certainty around cost allocation and assist negotiations between developers and utility providers.

Broader regulatory reform and openness to innovation

Accommodating South East Queensland's continued growth will require a regulatory framework that enables utility providers and developers to consider innovative infrastructure models and service delivery approaches where these can safely and effectively bring essential infrastructure online sooner.

Feedback from industry and utility providers indicates that a range of existing regulatory requirements can constrain utility providers' ability to consider alternative infrastructure solutions for new or expanding communities, even where the utility provider may otherwise be willing to explore those options. Innovative approaches, models and approaches have the potential to deliver time and cost efficiencies and reduce the impacts on developers, utility providers and customers.

Removing unnecessary regulatory barriers to the consideration and delivery of innovative infrastructure solutions should therefore be a priority. A more fit-for-purpose regulatory framework could support more efficient water networks while helping to manage both capital and operational costs for utilities and their customers.

To the extent permitted within the scope of the Price Monitoring Investigation, the Property Council encourages the QCA to identify opportunities to modernise regulatory settings while maintaining the integrity, safety, security and reliability of South East Queensland's water networks. This should include consideration of whether existing requirements remain fit-for-purpose as infrastructure delivery models, technology and community needs evolve.

The Property Council is willing to work with the QCA and relevant utility providers to identify practical opportunities for reform and explore how regulatory barriers could be addressed through a collaborative industry-utility approach to cost and price containment.

The Property Council appreciates the opportunity to provide this feedback as part of the QCA's current Price Monitoring Investigation.

Should you wish to discuss any aspect of this submission, please do not hesitate to contact me on 0431 963 141 or via email dbarry@propertycouncil.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dani Barry', with a stylized, cursive script.

Dani Barry
Queensland Deputy Executive Director