



30 January 2012

RIGHT DECISION TO SHIFT FUNDING TO HEALTH

“Canberra Business Council welcomes the ACT Government’s announcement that it will shift half a billion dollars, including funds earmarked for building a Government office block in Civic, to health infrastructure,” Canberra Business Council CEO, Chris Faulks said today.

“This decision indicates that the Government has listened to the concerns of the business and property sectors,” Ms Faulks said.

“The Council supports the decision to transfer these funds to the provision of high quality health infrastructure. We also support the construction, in partnership with the private sector, of a public service office building in Gungahlin because it will boost the building sector and help make Gungahlin a more vibrant town centre,” Ms Faulks said.

“While the Council recognises the need for ACT Public servants to be housed in appropriate office accommodation it warned against building a \$432m office building in Civic at a time when commercial office vacancy rates in the ACT are the highest in Australia - at 13.4%.

“The Council also questioned the model proposed - that the ACT Government would build, own and manage its own office building - and called on the ACT Government not to push ahead with this project until it had consulted with the property sector.

“It is pleasing to see that this will now occur in relation to public sector accommodation in both Gungahlin and Civic.

“At the time that the Civic Government Office Building was announced, the Council also reiterated the urgent need for the Territory to broaden its economic base which continues to be over-reliant on income from the property sector.

“Canberra Business Council recognises that the ACT is a small jurisdiction with a limited budget and many competing demands for funding. It is precisely because of these factors that the Council calls on the ACT Government to undertake long term strategic planning, weigh competing priorities carefully and invest in infrastructure and initiatives that will broaden the Territory’s taxation base, encourage private sector investment and underpin growth in the economy.

“For example, evidence from other jurisdictions shows that investing in tourism infrastructure, such as the proposed Australia Forum, will induce profitable markets, stimulate growth in business tourism and reap revenue dividends for the ACT economy.

“Investment in infrastructure that will broaden and grow the economy will not only deliver a more robust economic base and insulate the Territory against tough economic times ahead; it will enable the ACT Government to continue to invest in essential health, education and social services into the future.”

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