

# CEDA Report on Housing Australia highlights importance of Planning and Infrastructure

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The recent report by the Committee for Economic Development of Australia (CEDA) highlights the importance of improving planning systems and in providing infrastructure, says the Urban Taskforce.

“The CEDA report titled Housing Australia is a welcome contribution to the growing debate on housing affordability in Australia,” says Urban Taskforce CEO, Chris Johnson. “There are many aspects in the recommendations and contained in the chapters by experts that the Urban Taskforce supports. The focus on the need to relax planning restrictions imposed by local councils is an important national message.”

“Many councils are very focused on local issues and on protecting the concerns of their existing residents which creates a less than positive attitude to change particularly if it entails increased density and height. This leads to an adversarial situation with those who propose change who are generally developers. The consequence of this adversarial relationship is long delays, the imposition of excessive restrictions and frequent requests for more detailed information. The end product of this tension is to add significant extra cost to housing projects that inevitably increase the price of a home to the purchaser.”

“The CEDA report has a strong focus on the provision of transport infrastructure and this is where governments at all levels need to contribute. In NSW there is a very strong transport infrastructure commitment by the state government, particularly for metro rail, which underpins where new housing is to be located. As stressed in the CEDA report this will entail increased housing densities and governments at all levels need to champion this approach.”

“The report advocates encouraging a long term rental market like other global cities and a number of Urban Taskforce members are actively pursuing this new asset class.”

“The Urban Taskforce is concerned at suggested changes to capital gains tax as this would slow down the investment market which would reduce housing supply.”

“Another issued raised by the report is the need to encourage downsizing of older people from larger houses into more appropriately sized dwellings. Currently there are taxation issues that discourage this desirable outcome.”

“A broad based land tax is advocated in place of transactional taxes like stamp duty and the Urban Taskforce has championed this for some time. There does seem to be a growing number of key organisations advocating this approach and with leadership across the three levels of government this may be getting closer to realisation.”

“The Urban Taskforce supports most of the recommendations from the CEDA report on Housing Australia and appreciates the excellent input by the individual authors.”

*The **Urban Taskforce** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

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