

Housing Supply Slowing in NSW while Victoria Booms

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The November 2017 housing approval data by the ABS indicates that housing supply is slowing in NSW while in Victoria it is booming says the Urban Taskforce.

"Victoria with 6,689 home approvals is leading NSW with 5,953 approvals in the Australian Bureau of Statistics (ABS) November 2017 trend data." Says Urban Taskforce CEO Chris Johnson "NSW is twenty percent bigger than Victoria in population so the Victorian performance is impressive. The fundamental difference between the two states seems to be the larger number of detached houses being approved in Victoria with 3,266 approvals compared to 2,373 in NSW."

"Apartment approvals in the two states were similar with 3,423 in Victoria and 3,580 in NSW. The NSW high density approvals are well down from the July 2017 high point of 4,366 approvals."

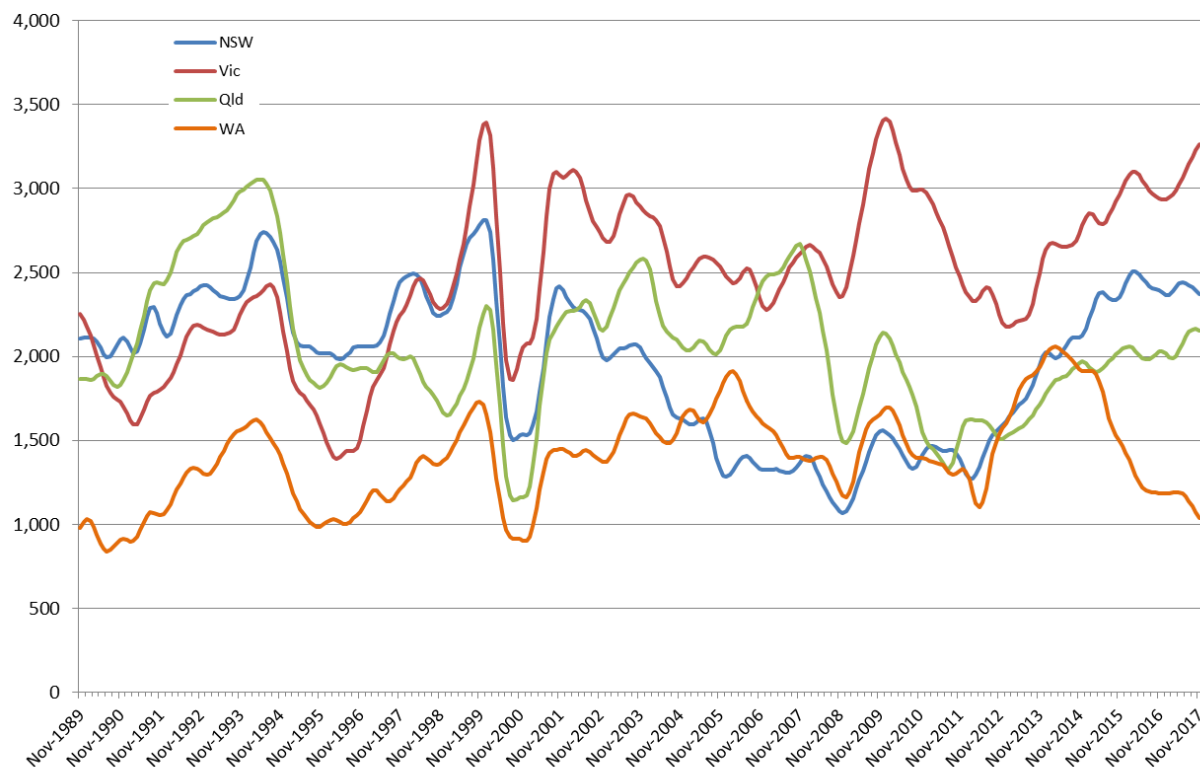
"The Victorian approvals for non-residential development for November 2017 were \$1,341,750,000 well above the NSW approvals at \$1,151,314,000."

"The data correlates with a slowing down of home sales and planning approvals in Sydney with a clear downward trend since the high point in July 2017. It will be important for the NSW Government to carefully monitor the downward trend particularly in the Sydney Market."

"The Urban Taskforce is concerned that the NSW Government recently announced its support for new affordable housing levies on new housing for 5 Sydney councils. The councils of Randwick, Canada Bay, Inner West, Ryde and Northern Beaches have been supported by the NSW Government as being added to the list of councils able to levy all new housing to provide affordable housing. The Inner West Council at a recent council meeting proposed a 30% affordable housing levy on all new housing. To slug new housing projects with levies up to 30% will simply make projects unviable and therefore lead to even less new homes being built."

"The Urban Taskforce believes that the NSW state government must monitor the slow-down in housing approvals and must not add new taxes on development that would speed up the slow down."

New monthly private sector house approvals by state; Nov 1989 – Nov 2017; trend



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

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