

NSW future housing supply under threat despite record completions

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The announcement by the NSW Department of Planning that a record 42,529 housing completions occurred in Sydney in the year up to June 2018 demonstrates the success of earlier policies but approvals are dropping fast, says the Urban Taskforce.

"The current record housing completions in Sydney of 42,529 over the year to June 2018 are a result of the record approval of nearly 60,000 homes in the year to September 2016," says Urban Taskforce CEO, Chris Johnson. "Unfortunately approvals in Sydney have now dropped to 52,277 in the year to June 2018 and this will flow on to reduced housing completions in the coming year."

"The 42,529 completions is well above the average required of 36,250 a year required across 20 years and this high supply number has helped reduce the cost of new homes. Our concern is that a number of policy settings from the three levels of government are now slowing down housing approvals. The tightening of bank lending to house purchasers is reducing the number of buyers, the levies on foreign investors has reduced these purchasers and recent back-downs on planning policies for increased densities in key precincts in Sydney has undermined confidence in the housing development industry."

"The Urban Taskforce developer members have been working very hard over recent years to follow the NSW Government's lead in where to build new housing but in a pre-election environment the government has put the brakes on planning in these areas and this will lead to a big drop in housing supply in one to two years-time."

"The Urban Taskforce encourages the NSW Government to get behind the need to plan for and support a consistent flow of new houses across Sydney so that the large number of jobs involved in housing are sustained.

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

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