

## MEDIA RELEASE

### Property Developers join with Greens – Construction sector must lead economic recovery

10 March 2020

The Urban Taskforce CEO, Tom Forrest today Welcomed today's statement from Adam Bandt MP, leader of the Australian Greens Party, and his call for a construction industry led recovery from the impacts of the Corona Virus.

"Adam Bandt has *belled the cat*. The construction sector has dropped off and in NSW and this is set to get worse with new home approvals now at 2012 levels. This means urgent and innovative reform is needed to get planning approvals through the NSW Planning System", Mr Forrest said.

"After years of fighting with Green politicians on Council and in Parliaments, Urban Taskforce welcomes the new leader of the Greens Party and his focus on economic realities.

"NSW has a housing supply crisis. The planning system has strangled the supply of new homes while the population keeps growing.

"Whether the new homes are in the form of affordable housing, or green housing, or public housing, or simply more housing, urgent action is needed to bring down housing prices and allow new home buyers back into the market.

"Stimulating the construction sector has the biggest multiplier impact on the NSW and Australian economies. The process starts with architects and planners, engineers and urban designers. Then, once the DA is approved, tradies, labourers, engineers and builders draw primarily on Australian made inputs to construct new homes, new places of employment, new retail facilities for new communities. Each of these processes involves the employment of local workers who pay tax, create GST revenue, company tax, payroll tax, stamp duty revenue – way above any initial stimulus measure.

Interest rates are at a historic low. This is the time for Governments at State and Commonwealth level to fast track investment and kick-start the economy with major changes to the planning system.

"There is now a dual imperative for significant and innovative reform to the NSW planning system. The first is the need to create some downward pressure on new home prices. The second is the urgent need to stimulate the economy and save NSW from recession.

"Houses in NSW are the least affordable in the country, with new home mortgage repayments now at 42.8% of household income. This compares to only 36.5% in Victoria, 30.6% in Qld, 28% in SA, 24.9% in WA. Now is the time for action", Mr Forrest said.

*All the above can be attributed to Tom Forrest, CEO, Urban Taskforce*

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

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