

1st December 2020

Good news!! ABS Housing Approval stats show welcome signs of recovery in NSW

Figures released by the ABS today show a significant “end of COVID-bounce” in the month of October with the NSW planning system approving 4,865 dwellings (total public and private sector, apartment and separated dwellings), up from only 3,554 in September. This represents an increase of 32.1% and shows that the planning reforms in NSW are starting to have an impact.

Despite the improvement in the NSW performance in October, the NSW planning system still performed worse than the COVID-ravaged Victoria which was still to emerge from its complete COVID lockdown in October. Victoria still saw their total number of dwellings approved fall from 5,822 in September to 4,946 in October, still slightly above NSW.

It needs to be remembered that NSW has been relatively free of COVID-19 restrictions compared to Victoria. There is no doubt the NSW Department of Planning has lifted its performance, but many of the Councils’ are letting our economy down and putting constructions jobs at risk as a result.

The big risk for the NSW economic recovery, post Covid, is the Government’s gentle touch with local Councils in the lead up to the 2021 Council elections. The Coalition’s hands were badly burnt by the Council amalgamations debacle and they have had a strict “hands-off Councils” approach ever since. Nonetheless, the GSC has set targets as part of the process of their independent review and assurance process of each Local Government Local Strategic Planning Statement. It is critical that Councils be driven to deliver on these targets.

The Treasurer has taken the lead with a quality response to the need for stimulus delivered in the NSW budget.

It has never been cheaper for Governments to borrow money for infrastructure. Now is the time for Councils to over-perform on their housing approvals so we have some chance of hitting the Greater Sydney Commission approved 5-year housing targets (2021-2026).

Credit where credit is due. NSW Planning and Minister Stokes have done a good job to drive a change in culture and support economic recovery. Today’s results show that this work is starting to deliver results. The Productivity Commission will soon conclude its review into infrastructure contributions, hopefully easing the burden on new home buyers and delivering stimulation of construction investment and activity.

Source: ABS: <https://www.abs.gov.au/statistics/industry/building-and-construction/building-approvals-australia/oct-2020>

End.

The above can be attributed to Tom Forrest, CEO, Urban Taskforce Australia

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

Media Enquires: Tom Forrest, Chief Executive Officer: 0429 460 863

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