

MEDIA RELEASE

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The State Budget must address Housing Supply and Housing Prices

Urban Taskforce calls on the NSW Treasurer to use tomorrow's State Budget to address the housing supply and housing affordability crisis in NSW.

The NSW Government seems to be the last ones to realise that the performance of the NSW planning system has created a housing supply crisis.

The time for action is now.

Young Australians are suffering from their effective exclusion from the housing market by local "activists" who have successfully stifled housing supply across Sydney. It is up to the State Government to address this crisis.

Urban Taskforce calls on the NSW Government to:

- Establish a State Significant Development planning pathway for high value high yield housing projects – thus removing those assessments from the hands of Councils and local community activists
- Reduce infrastructure fees and charges (which ultimately add to the cost of new homes)
- Spread the burden of additional housing right across Sydney so there is increased supply in all areas, not just the far west and South West of Sydney where infrastructure costs are high
- Hold State Government agencies and Councils accountable for the delivery of infrastructure to support housing supply
- Abolish Stamp Duty and introduce a broad-based property tax

The issue of housing affordability is going to be with us right up to and beyond the next State election in 2023. It will take years to make up for the decade of under supply of housing which has caused the current crisis.

Urban Taskforce identified the drop off in approvals right back in 2019, well before COVID hit. Until now, the NSW Government has ignored reports from the Reserve Bank of Australia, Commonwealth Productivity Commission, the NSW Productivity Commission, CommSec, and calls from the CEO of Westpac and NAB.

Average household occupancy rates in Sydney are the highest in Australia. This under supply of housing has gone on for over 10 years, causing a blow out in latent demand. With interest rates at record lows, demand for new homes are going through the roof and this will get worse when immigration rates return to normal.

End.

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

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