

## MEDIA RELEASE

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### **JOBS SUMMIT – ADDITIONAL HOUSING CRITICAL TO INCREASED MIGRATION**

The jobs summit consensus on increased immigration is set to be undermined by the states' failure on housing approvals and supply. Urban Taskforce Australia welcomes the national consensus supporting increased skilled and general permanent migration. But today's ABS data reveals the other side of the coin. There must be immediate focus on planning reform to drive increased housing supply because planning approvals are in free-fall.

Housing approvals which come from each State's planning system are critical to the delivery of housing supply. Housing Supply underpins the success of any proposal to increase immigration – but there is simply no sign of a response from the planning systems across the nation. Today's ABS data paints a bleak picture.

The Federal Treasurer, backed by industry and the unions, have rightfully flagged the need for higher levels of immigration – signalling an increase in the annual intake of Net Overseas Migration to 200,000 to address critical labour and skills shortages in the economy.

ABS data released today shows that there has been a decline in housing approvals across Australia of a massive 17.2% in the last month.

The headline figures are:

- WA decline in approvals of -36.9%
- Victoria decline in approvals of -17.4%
- NSW decline of -16.2%
- Tasmania decline of -14.5%
- Queensland decline of -13.7%
- SA actually increased their performance over the last month by +19.2%

While monthly data can bounce about, the data over the last 12 months reveal how poorly the system is performing - particularly for NSW.

Looking at the 12 month data till the end of July for each of the last 10 years, the data for NSW shows that the only years where there was sufficient approvals to meet demand were in 2016, 2017 and 2018

New South Wales	Houses	Multi-Unit dwellings	Total
12 months till July 2022	29,138	24,906	54,044
12 months till July 2021	30,817	30,086	60,903
12 months till July 2020	24,049	24,449	48,498
12 months till July 2019	28,329	28,194	56,523
12 months till July 2018	304895	41,371	71,860
12 months till July 2017	29,667	42,976	72,643
12 months till July 2016	29,267	43,998	732659
12 months till July 2015	26,617	39,625	66,242
12 months till July 2014	23,894	31,262	55,156
12 months till July 2013	19,739	23,508	43,247

The biggest drop off has been in apartment approvals in NSW and this remains disastrously low.

While there seems to be a national consensus over the need for more housing, too little has been done to drive the approvals which underpin this objective.

The National Jobs Summit must ensure that any increase in population is supported by a boost in housing supply. The key to this is to ensure that the States and their planning systems deliver a massive boost in housing approvals. The price of a new home is the key factor in driving down the reputation of Sydney as an attractive location to live.

We need immigration to address labour supply and skill shortages – but we will struggle if there is not the appropriate housing in the market to house these workers.

The NSW Government is starting to turn the planning behemoth around with \$300 million in local infrastructure funding being allocated to those Councils driving housing supply. The Accelerated Infrastructure Funding will go to the councils where 94% of the expected population growth in NSW will occur.

The Commonwealth cannot sit back and say that planning and housing are matters for the States if they want the outcomes of the Jobs summit to actually work for the Australian economy. The Commonwealth has the financial muscle to stimulate improved Council performance on housing approvals through grants to improve local amenity and deliver local infrastructure.

**The comments and analysis 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.*

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