

MEDIA RELEASE

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Federal Government must come to the table with infrastructure dollars to help deliver the Housing Accord's 1 million new homes

Urban Taskforce CEO, Tom Forrest, today said that this week's meeting of National Cabinet, and its focus on the states' delivery against the Housing Accord commitments, required a significant financial commitment from the Commonwealth to incentivise the States to undertake the planning reforms needed to build more housing.

The Commonwealth get all the benefits of immigration: increased income tax; increased company tax; increased employment and economic growth. The states cop the costs: delivery of housing supply; new roads, water and sewage; new schools, hospitals and public open space.

The Federal Government has far greater financial capacity to establish local infrastructure funding pools to support the infrastructure that supports housing. They must share the load of accommodating population growth.

By establishing a housing enabling infrastructure fund, the Albanese Government will give the states more confidence to push ahead with planning reform. The states should work with councils to allocate the infrastructure fund according to an agreed national policy framework. Funding should be allocated in line with the number of new homes to be delivered.

Funding for local and state infrastructure along with reductions in planning red tape are critical for the delivery on the Albanese Government's Housing Accord commitment of 1 million new market-based homes by mid-2029.

The infrastructure fund must focus on the delivery of infrastructure upgrades that will directly result in new housing supply. The Federal Minister for Infrastructure needs to do much more than host meetings.

Housing supply is in crisis and it's time the Commonwealth established its financial commitment to the Housing Accord.

In Greater Sydney, funding for road upgrades like Elizabeth Drive and Mamre Road would have a huge payoff in terms of employment lands around the new Western Sydney airport. Funding for a new metro station at Camelia or the upgrade of Appin Road would clear the way for literally thousands of new homes in infill and greenfield locations in Sydney.

A pool of infrastructure funding should also be made available to support new homes in regional cities, as the rental vacancy rates across the regions are even more parlous than in Greater Sydney.

It also must be time critical – in this environment of high interest rates and rapid cost escalation, every day counts when it comes to delivering the infrastructure needed to deliver the housing required for our growing nation.

To date, much of the focus on delivering the 1 million National Housing Accord homes has been on the States and the clear need to reform their planning systems.

The NSW Government has started well with bonuses in height and density to incentivise affordable and market housing growth. They have identified a suite of government owned land which will deliver tens of thousands of new homes.

What is missing is infrastructure funding from the Commonwealth to get the states more enthusiastic about undertaking even more planning reform – knowing their efforts will be backed by the Commonwealth through a housing-linked infrastructure fund.

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The comments and analysis 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.

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