

MEDIA RELEASE

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ABS National housing commencements data – a wakeup call for the Albanese Government

Urban Taskforce Australia CEO, Tom Forrest, said that new ABS national quarterly housing commencement data released this week showed that the key performance metric for housing supply had gone backwards since the Albanese Government announced the National Housing Accord.

The Albanese Government needs to be more than a bit part player in housing supply. It must use next month's Federal Budget to allocate billions of dollars towards housing and job enabling infrastructure projects across Australia.

The data shows that housing supply is stagnating.

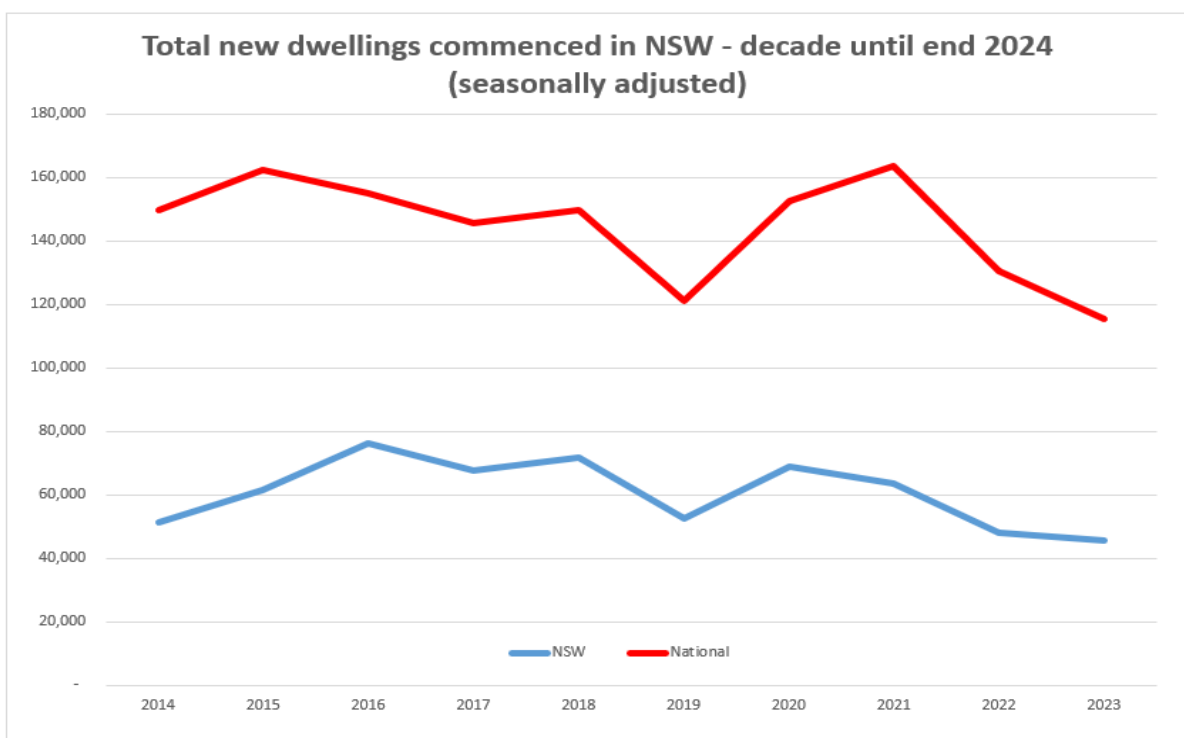
With the National Housing Accord requiring on average 240,000 dwelling **completions across Australia** each year for 5 years, the ABS quarterly data showed Australia wide housing commencements had fallen to only 115,372 in the 12 months to December 2023.

If there are only 115,372 new houses commencing construction over the last 12 months, there is absolutely no chance of achieving 240,000 completed houses in any single year any time soon. Urgent action and funding is needed from the Albanese Government.

Given the size of the immigration intake overseen by the Albanese Government, the need for housing has actually increased since the Accord was announced. But the results have gone backwards right across Australia.

This is less than half of what's needed to meet the Accord targets.

The annualised housing commencements data was the worst in a decade.



Source: ABS, Building Activity Australia, 10 April 2024, Series 87520034

This wake-up call comes off the back of last week's ABS data showing national housing approvals figures also going nowhere but backwards.

On all sides of the housing supply pipeline, the data is not good.

The States are working through difficult planning reforms as their side of the bargain when it comes to the Accord – what is distinctly lacking is any real financial commitment from the Albanese Government in term of housing and job enabling infrastructure, beyond the HAFF.

Rather than seeking to cover their tracks by slashing immigration numbers (thus limiting economic growth and productivity improvements that comes with educated skilled migrants), the Albanese Government must focus its budget efforts on providing billions of dollars to help State and local councils across Australia deliver the housing we so desperately need.

A case in point is the distinct lack of support from the Albanese Government for jobs and housing in Western Sydney. In fact, they cut funding for the M7/M12 interchange leaving the NSW Government to pick up the tab at the expense of other roads infrastructure projects.

With a Federal election due in less than 12 months, the Albanese Government needs to get serious about housing supply, stop tiptoeing around the edges of the housing supply crisis, and provide significant infrastructure dollars to support the states, local councils and industry deliver the housing Australia needs.

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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