

MEDIA RELEASE

23 June 2026

NSW Budget – a lost opportunity for housing supply

Urban Taskforce CEO, Tom Forrest, said today's Budget acknowledges a significant decline in forecast property from stamp duty, land tax, and developer contributions. That tells the real story on housing supply expectations.

Far from taking pro-active steps to address the slowdown in the property and housing construction sector, the NSW Budget is, on balance, a lost opportunity for housing supply. We can only hope that the NSW Government is keeping its powder dry for pre-election announcements, because this Budget has very little by way of new support for new housing supply.

While the public will no doubt be pleased with tolls relief and public transport support, and the 120,000 public servants will be delighted with their \$1,000 pay bonus arising from the CPI topping 4%, Urban Taskforce Australia members assert that this could have been much better spent on reductions or deferrals of property related taxes, resulting in greater housing supply and improved housing affordability.

Urban Taskforce acknowledges the funding package for roads, transport, schools, and health infrastructure, but remains concerned that there was no relief from the rises in Sydney Water infrastructure charges for new home development.

Urban Taskforce Australia consulted extensively with our membership. We submitted a detailed set of budget recommendations that would have made a significant difference to the efficiency of the planning system, housing project feasibility, and the funding of housing related infrastructure to support new housing supply.

The report card attached at the end of this Media Release shows that the vast majority of the suggestions made were not addressed in the Budget Papers. There is a lot of red. In the midst of a housing supply crisis, this is very disappointing.

The Budget points to a significant pipeline of housing applications, boosted by a range of planning initiatives which have significantly improved the planning system.

But the revenue forecasts tell the story – it is expected that revenues from property development will drop and that is bad news for converting the approvals pipeline into completed dwellings.

The additional funding support for the Pre-sale Finance Guarantee is welcome and will modestly improve property investment confidence at a time when feasibility has been smashed by interest rate rises, the war in Iran and the debacle which was the Federal Budget.

The Budget does fund the Housing Delivery Authority as proposed in the planning reforms passed late last year. Further, the Budget has made additional funding available to the Land and Environment Court to ensure that the courts are not a blockage in delivering housing supply.

*The comments and analysis above can be attributed to **Tom Forrest**, CEO, Urban Taskforce Australia*

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

Follow us:



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

See below a summary of the Budget measured against the Urban Taskforce Australia pre-Budget submission.

Urban Taskforce Budget Recommendations

Has it been delivered in the 2026/27 Budget?

<p>1. That the NSW Government develop a standard policy for all affordable housing charges with a focus on feasibility and the removal of duplication of charges.</p>	<p>Affordable housing is discussed on page 49 of BP2, but there is no discussion of streamlining or standardising affordable housing policies.</p>
<p>2. That the NSW Government:</p> <ul style="list-style-type: none"> a. freeze the Housing and Productivity contribution (HPC) for the duration of the National Housing Accord period to bolster housing supply by improving feasibility; b. change the payment trigger for the HPC (and all infrastructure charges, both state and council) from the issue of a construction certificate to the issue of the occupation certificate. 	<p>No freeze on the HPC</p> <p>No deferral of payment of charges till OC</p>
<p>3. That the NSW Government reduce Sydney Water infrastructure charges on property development until the end of decade, to facilitate growth and development, particularly in greenfield development.</p>	<p>No change in Budget</p>
<p>4. That the NSW Government remove land tax and stamp duty surcharges on foreign investment in housing.</p>	<p>No change in Budget</p>
<p>5. That the NSW Government change the system of transfer duty to boost mobility of occupants by:</p> <ul style="list-style-type: none"> a. abolishing the duty on new residences for individuals or couples, where the occupants are aged over 55, to encourage downsizing. b. working with the Commonwealth to phase out stamp duty over the longer term and replacing it with a broad-based land tax (which automatically "captures increased land value arising from investment in local or state infrastructure). 	<p>No change in Budget</p> <p>No change in Budget</p> <p>No announcement made in Budget</p>
<p>6. That DPHI implement a state-wide affordable housing policy, assessed through a cost-benefit analysis process, that:</p> <ul style="list-style-type: none"> a. reinforces the Infill Affordable Housing Density Bonus scheme b. does not undermine feasibility c. does not require accommodation to be given in perpetuity d. sets a maximum rate that cannot be exceeded by local councils e. applies a discount rental price based on market rates rather than individual income. 	<p>No change in the Budget</p> <p>This is acknowledged in the Budget Papers but there is no new announcement made in this Budget</p> <p>N/A</p> <p>No change in the Budget</p> <p>No change made in the Budget</p> <p>No change made in this Budget</p>
<p>7. That the NSW Government use more Crown land to deliver an increase in social, affordable, and market housing in partnership with the development industry.</p>	<p>Landcom, Housing NSW and Land and Property have progressed this agenda and this is detailed in the Budget – but no new announcements</p>
<p>8. That DPHI tighten criteria on what infrastructure and open space can be funded through developer contributions by:</p> <ul style="list-style-type: none"> a. creating a definition of "public amenities" and "public services"; b. providing more context and detail to IPART's essential works list; c. including all open space – local and regional – within a certain distance in calculations for new development sites; and d. revisiting the "nexus" criterion to allocate a more reasonable proportion of new infrastructure funding – for a new park, for example – to existing ratepayers. 	<p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p>

Urban Taskforce Budget Recommendations

Has it been delivered in the 2026/27 Budget?

<p>9. That the NSW Government establish a Local Infrastructure Support Scheme to lend money at low interest rates to local councils to pay for development-related infrastructure. The fund would:</p> <ul style="list-style-type: none"> a. be administered in partnership with TCorp or other financial agencies; b. provide up-front funding for infrastructure that will be repaid on a cost-recovery basis over time as developer contributions are collected; c. only be available for approved infrastructure that aligns with the pre-determined infrastructure criteria and is shovel-ready; d. be prioritised for infrastructure that facilitates the delivery of much-needed housing supply; and e. be subject to a strong monitoring and accountability framework requiring regular reporting on loan status, project completion, and the timing and adequacy of contribution receipts to service the debt. 	<p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p> <p>No change in this Budget</p>
<p>10. That DPHI finalise and release the Housing and Productivity Contribution Scheme Works-in-Kind Guideline and promote its use as a viable alternative to developer contributions.</p>	<p>Delivered. Works-in-Kind Guideline released earlier this year.</p>
<p>11. That the NSW Government seek commitments from the Federal Government to support infrastructure development in growth areas, particularly in Western and South-Western Sydney.</p>	<p>Infrastructure statement in BP3 shows strong commitment to infrastructure investment in Western Sydney</p>
<p>12. That the NSW Government work with its Federal Government counterparts to reduce red tape and duplication surrounding biodiversity conservation.</p>	<p>Being delivered. The Federal Government is streamlining biodiversity processes through bioregional guidance plans.</p>
<p>13. That DPHI staff working for the Housing Delivery Authority be sufficiently resourced to support the timely and accurate assessment of EOs and improve transparency over assessment processes and decision-making.</p>	<p>HDA is fully funded in the Budget Papers</p>
<p>14. That the Development Coordination Authority be well resourced to ensure that agency concurrence can be performed quickly and efficaciously.</p>	<p>Delivered. \$52.1 million allocated to the DCA.</p>
<p>15. To promote Housing Supply during the Accord period, Treasury should take the lead with DPHI to review all Council restrictive local regulatory (LEP, ADG and DCP) controls.</p>	<p>Not addressed in the Budget Papers</p>
<p>16. That the NSW Treasury takes a more pro-active role in overseeing the issues associated with decennial liability insurance (DLI), latent defects insurance (LDI), and strata bonds to determine how a viable and affordable market of insurance products can be made available for the industry.</p>	<p>Not addressed in the Budget Papers</p>
<p>17. That, until an effective product can be provided, the NSW Government underwrite DLI.</p>	<p>Not addressed in the Budget Papers</p>
<p>18. That the NSW Government introduce a compulsory mediation process, administered through the NSW Building Commission, to manage the speedy resolution of disputes over building defects without exposing owners and developers to expensive and protracted legal proceedings.</p>	<p>In the process of being delivered. A legislative amendment to the RAB Act allows for the creation of a mediation stream, and BC NSW is currently consulting on it.</p>
<p>19. That the NSW Government investigate, fund and implement initiatives to help class 1 builders move towards delivering class 2 developments, and to encourage former class 2 builders back into the market, through increasing education and providing greater information on managing risks and liabilities.</p>	<p>Not delivered. However, construction skills are listed as a critical skills area.</p>