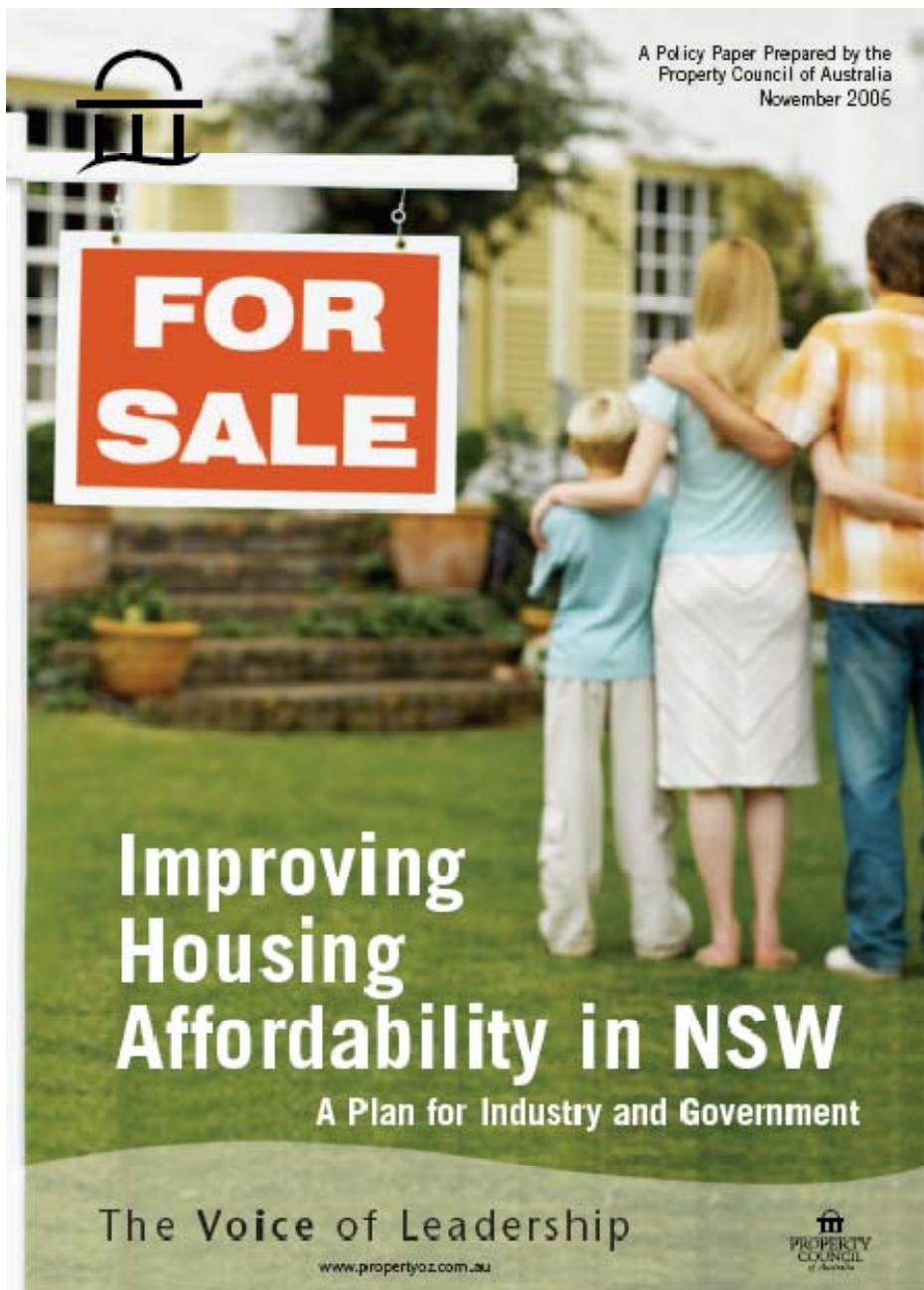




# Planning for housing supply

National Housing Conference 2008

**Ken Morrison**  
NSW Executive Director  
Property Council of Australia



A Policy Paper Prepared by the  
Property Council of Australia  
November 2006

**FOR  
SALE**

# Improving Housing Affordability in NSW

A Plan for Industry and Government

The Voice of Leadership

[www.propertyoz.com.au](http://www.propertyoz.com.au)



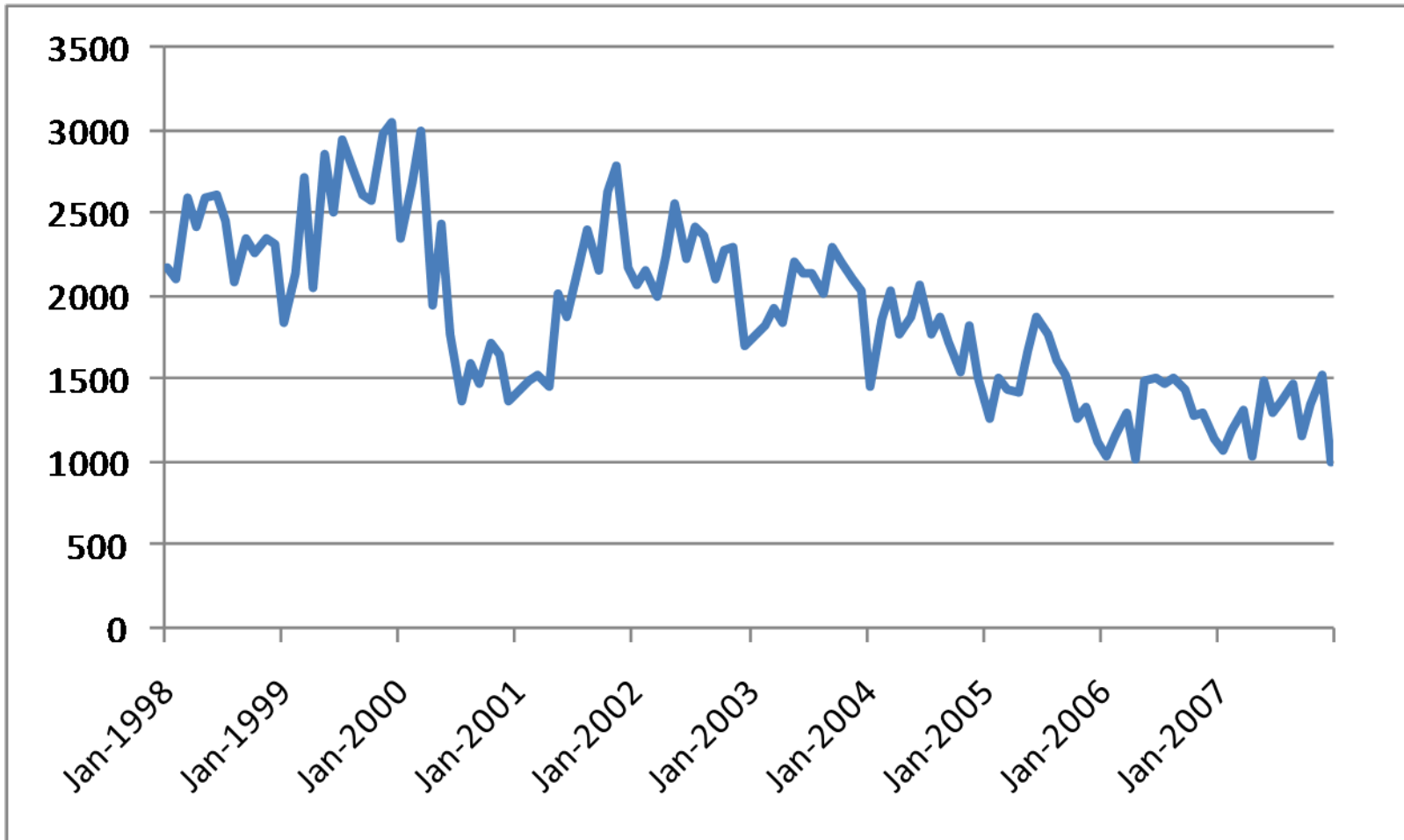


# Overview

- **Housing supply in NSW**
- **Policy solutions:**
  - Provide supply capacity: infill and greenfield
  - Invest in infrastructure to support growth
  - Stop loading extra taxes onto new housing
  - Efficient approval processes
  - Targeted measures for key workers

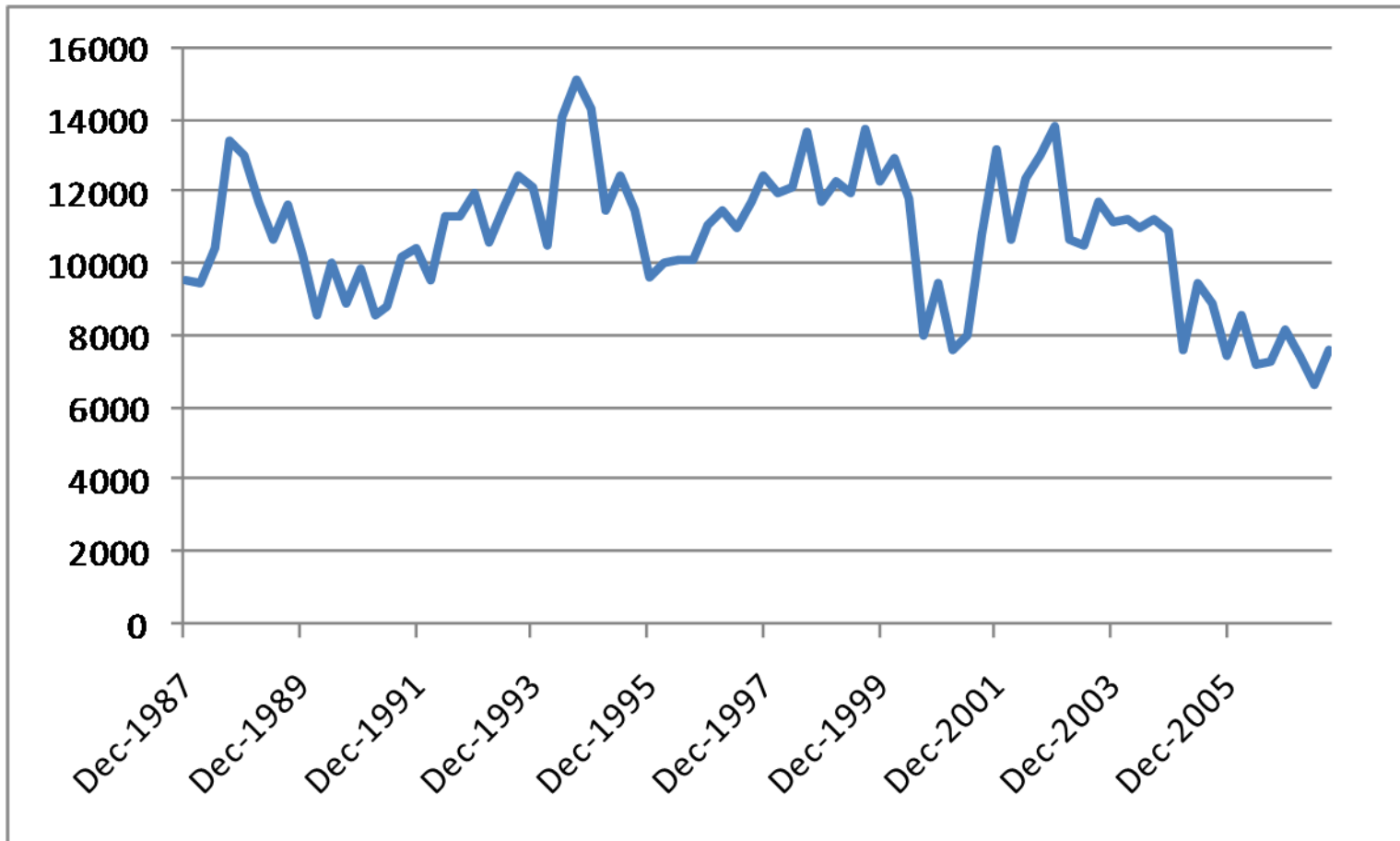


# Housing approvals at half of historic levels



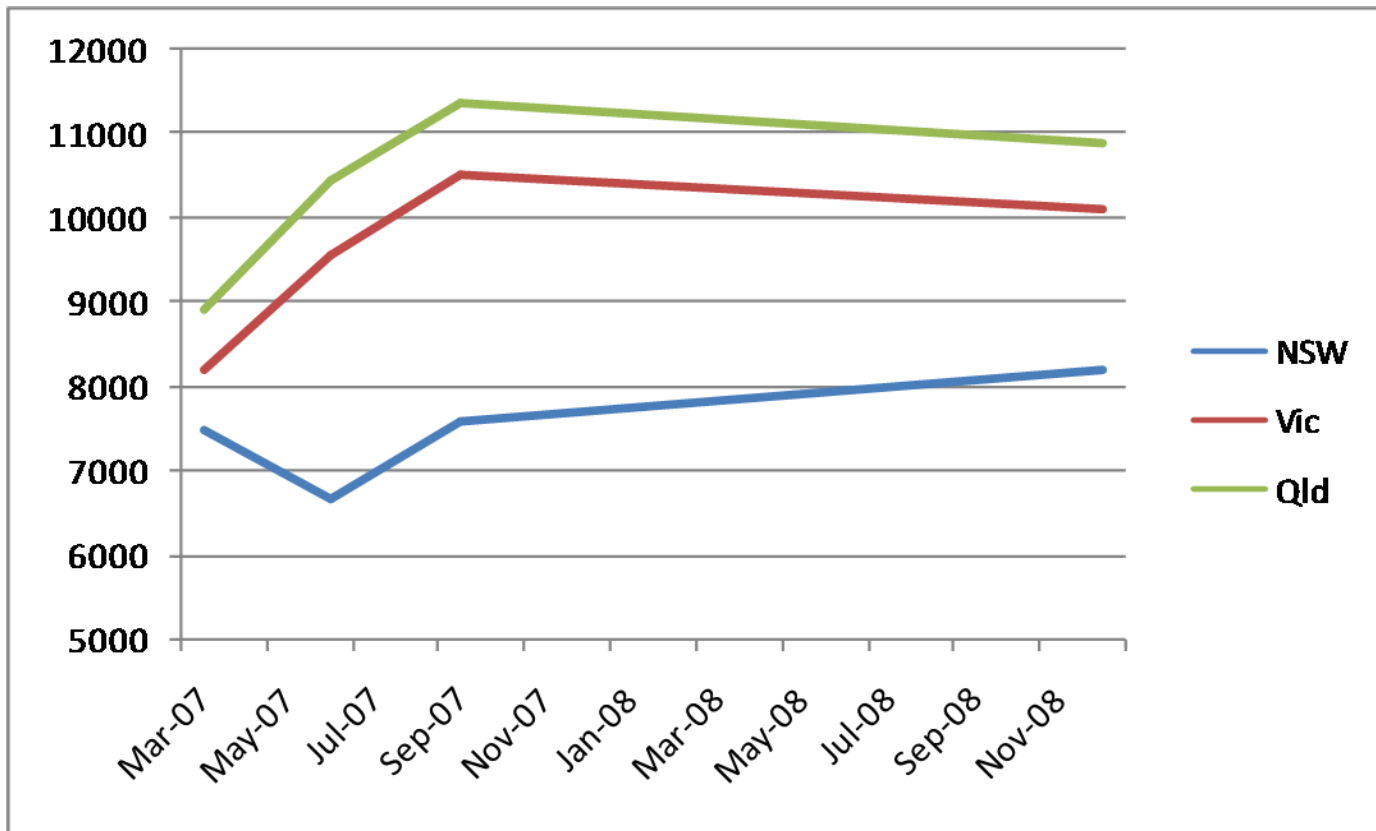


# Same story for housing commencements





# NSW lags Qld and Vic on housing commencements





**Australia is building 20,000 fewer new dwellings than is needed to satisfy underlying demand.**

HIA National Outlook, December Quarter 2007



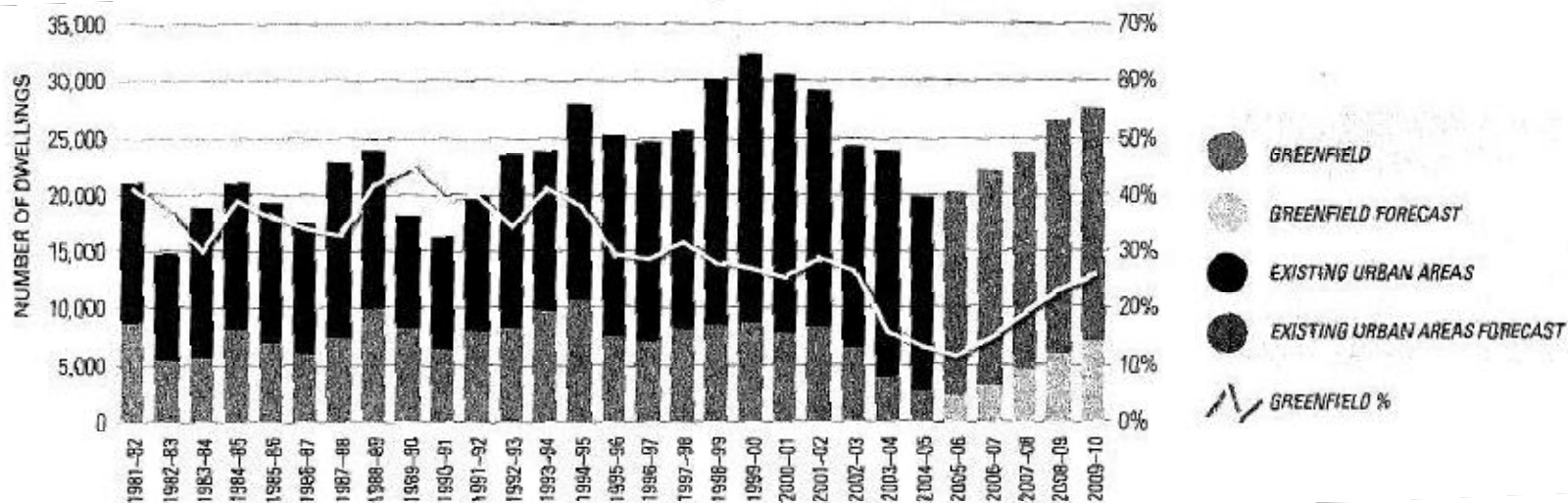
# Policy solutions

Provide supply capacity	?
Invest in growth orientated infrastructure	✓?
Stop loading up housing with new taxes	✓?
Efficient development assessment	↑?
Targeted measures for key workers	?



# Provide capacity for supply

## Dwelling supply in greenfield and existing areas



Land Supply Task Force, 2007



# Infill supply: the future is very different from the past

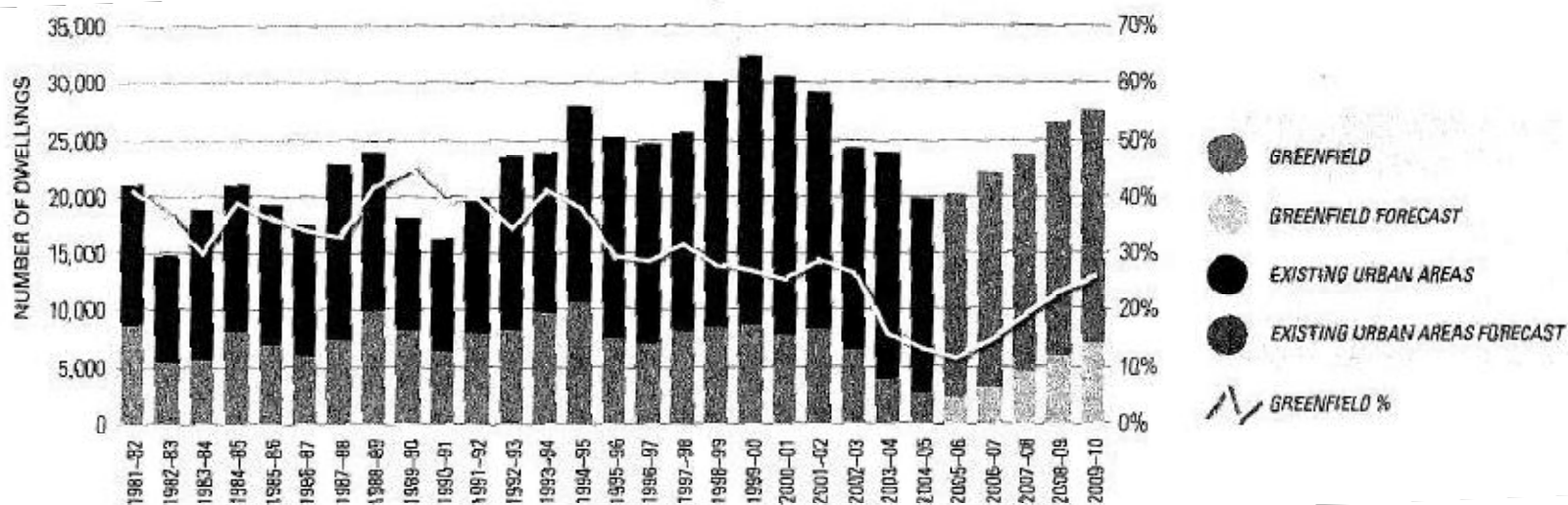
- 20% of Sydney's housing supply comes from existing suburbs comes from redundant industrial land
- There are 5-7 years supply of this left

Metropolitan Development Program



# Provide capacity for supply

## Dwelling supply in greenfield and existing areas



Land Supply Task Force, 2007



# Invest in infrastructure

- Big increases in NSW infrastructure budget
- Federal Government taking a lead role
- Uncertainty over many projects
  - North West rail link
  - metro rail
  - M4 East



# Taxes on housing supply

- NSW is the only state which charges new home buyers for state infrastructure
- Growth Centre levies dropped
- Local section 94 levies limited to what they are supposed to be used for
- Federal \$500m fund
- What will happen to infill levies?



# Development assessment

- **NSW has a strong reform program on the table**
  - independent panels
  - state agency concurrences
  - expand exempt and complying
  - e-planning
  - speed up re-zonings



# Coalition for Planning Reform





# Key worker housing

- Affordable housing levies don't produce enough supply to address the need – they are not a viable solution
- Financial models to get private sector investment
- Federal pilots on the agenda



# Conclusions

- **Housing market is driven by supply and demand**
- **Governments have failed to fulfil their responsibilities to deliver supply**
- **Many solutions are not in place, but these issues are now on the agenda**