

Treasurer tackles Australia's acute lack of housing

Build or pay the price

HOME buyers and renters could face rising prices if Australia does not build more houses more quickly to satisfy growing demand, Treasurer Wayne Swan has warned.

Seeking to put pressure on the states and land authorities about the housing squeeze, Mr Swan said the nation faced an estimated housing shortfall of 100,000 by 2028.

He said it was time to confront controversial issues such as planning and zoning laws

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and to speed up land release. Mr Swan said in some cases it took 15 years from the time land was developed to a completed house.

"We can and must do better than this," he told a closed-door meeting of housing industry chiefs.

"We are not building enough houses and if this continues then we will all be paying increasingly more and more for our housing whether it be in

terms of repayments or in terms of rent.

"We need to deliver planning and zoning reforms to reduce the time it takes to develop, build and deliver homes."

The Housing Industry Association said that last year about 130,000 homes were built in Australia — the lowest number in a decade.

HIA chief economist Harley Dale said taking into account population growth and other factors, the nation needed about 190,000 homes last year.

Mr Swan said he did not want the great Australian

dream of home ownership to be beyond the reach of most Australians.

"Unless constraints to the supply side of the market are addressed, our cities will not adapt to meet the needs of a growing population and we will see continued problems of affordability for ordinary Australians," he said.

Mr Swan called for planning and policy co-operation to fix the low supply of housing.

"Housing affordability is an issue close to my own heart — one brought home by my two daughters trying to get into

the market," he said. Among the issues Mr Swan is looking at is how to tackle disincentives that keep older people living alone or as couples in big houses after their children leave. Many say it is too costly to shift to a smaller home.

Mr Swan also signalled concern about developer charges, and the uncertainty and delay they caused.

Dr Dale said governments needed to find a more efficient planning process and ensure a more timely release of land.

He also called for stamp duty on new homes to be cut.



Wayne Swan