End of the great Aussie home dream

Steve Lillebuen and Phillip Hudson

PEOPLE are being priced out of home ownership by a nationwide housing shortfall that has blown out beyond expectations.

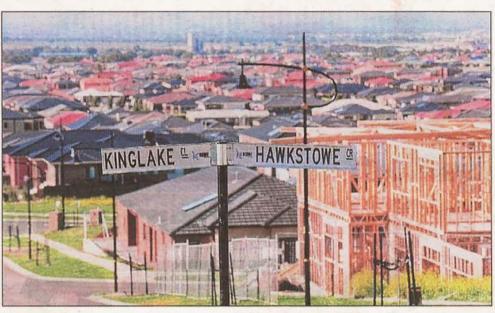
And the assessment for the next two decades is bleak as an exploding population is projected to outpace property development in a massive housing crunch that requires a "substantial" government response, the report says.

Commissioned by the Federal Government, the National Housing Supply Council's report says the supply gap for housing reached 178,400 homes by June 2009 — an increase from 99,500 at the same time last year.

An additional 180,000 homes need to be built every year for the next 20 years just to keep up with population growth.

The growing shortfall has likely resulted in more families having to share a single dwelling and students being forced to stay at home for longer periods, says council chairman Owen Donald.

He said too many housing developments suffered long delays, rising costs and uncertainty because of objections



Backyard blues: the housing shortage in Victoria is 22,700 homes but this will grow.

by people who did not want much-needed projects in their back yards.

"Once broad planning principles, frameworks and assessment criteria are in place, there should be greater certainty for developers and less scope for contesting assessment," he said.

"If it complies with the code, it should be approved by

a development assessment panel rather than local politicians who depend on the votes of residents."

Mr Donald urged governments to explain development issues to residents "long before it becomes a not-inmy-back-yard issue".

The report says the current housing shortage in Victoria is 22,700 homes but this will grow to 34,300 by 2017.

But Victoria is ranked as one of the best states for long-term planning with the housing shortfall in 2029 predicted to be just 5300 homes compared with 261,800 in NSW and almost 200,000 in Queensland.

The problem stretches back to 2005 when the population started skyrocketing but the housing supply remained static. with AAP