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MEDIA RELEASE

HIA Industry Outlook Highlights Urgent Need for Housing Reform

The Housing Industry Association (HIA), the voice of Australia's residential building industry, this morning hosted a National Industry Outlook Breakfast on the Gold Coast, supported by Colorbond.

Guest speakers Bill Evans, Chief Economist, Westpac and Harley Dale, Chief Economist, HIA outlined Australia's economic and housing prospects through the remainder of 2010 and beyond.

Against the backdrop painted of Australia's current economic out-performance relative to other advanced economies, the audience of over 300 HIA members and guests was provided with insights into the challenges that lay ahead for the nation's economy and for the housing industry within.

HIA Chief Economist, Harley Dale, said that reducing the supply side obstacles that stood in the way of boosting Australia's new housing stock represented one of the primary challenges facing policymakers in 2010 and in the years ahead.

"Issues related to land supply, planning systems, infrastructure taxes and charges, credit restrictions, and skilled labour shortages are all artificially restraining the ability of a highly efficient new home building sector from meeting the housing requirements of Australia's growing population.

"The recognition and importance afforded these issues more recently is very encouraging, but urgent action is required.

"This urgency is no better demonstrated than by current indications that the increase in new home starts in 2010, which will be the first rise since 2002, may not prove sustainable through 2011 and beyond.

"Australia currently has a housing shortage in excess of 110,000 dwellings. That figure is in danger of exceeding 450,000 dwellings by 2020 unless urgent action is undertaken to reduce the considerable supply side obstacles preventing Australia from building the number of homes required," said Harley Dale.

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