

27 April 2010



HIA Welcomes Housing Supply Council Report

The Housing Industry Association (HIA), the voice of Australia's residential industry, welcomes the National Housing Supply Council's (NHSC) 2nd *State of Supply Report*.

The report underlines the increasing gap between housing supply and demand, which the Council estimates to be a dwelling shortfall of 178,400 as of June 2009.

This gap, between how many homes are supplied and how many are needed, increased by an alarming 78,800 dwellings during last financial year alone and is projected to breach 300,000 dwellings by 2014.

HIA Chief Executive, Association, Graham Wolfe, said that the Council's projections were close to those recently developed by the HIA and that these numbers should represent a call to action for all levels of government.

"The Council suggests that underlying demand for dwellings is over 180,000 each year and that while Australia has the land to potentially develop close to this level (176,000 dwellings), planning delays and restrictions and developer charges make such an outcome highly unlikely," said Graham Wolfe.

"The housing supply issue includes a diverse range of issues including land supply, council approval processes, labour and capital availability, and taxation. Improving upon current outcomes requires an all-of-government approach.

"To this end, HIA is pleased with the Council of Australian Government's (CoAG) reform agenda which aims to improve supply and affordability by looking at a host of issues that impact on the final cost of housing.

"Failure to address these considerable issues will have dire outcomes for the cost of housing for both those purchasing homes and those who remain in the rental market.

"The Council's work adds considerably to the body of knowledge on housing supply and demand. However, significant data limitations still exist with regard to housing supply and HIA is very supportive of the need to constantly improve this situation," said Graham Wolfe.

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