

Media Release



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REIA IS URGING GOVERNMENT TO IMPROVE SUPPLY PLANNING AROUND HOUSING DEVELOPMENT

Real Estate Institute of Australia (REIA) is urging the Federal and State governments to improve planning approval times in a bid to address the diminishing housing supply.

REIA President, Adrian Kelly said there needs to be a long-term and collaborative industry-government plan for housing.

“Transactions are down, with Victoria reducing by 21% over the past five years while WA saw listings fall by 45% over the past year indicating a chronic shortage of housing,” he said.

Mr Kelly said the changes should involve reducing the cost of the development application process, rezoning reform, improving approval times for development applications, introduction of land release programs and the establishment of a government-led mechanism for reliable data on housing demand and supply.

“In the rising market of 2021, this issue continues to be excessively politicised and has become a conversation of public versus private, State versus Federal, young versus old, wealthy versus poor and civil society versus business groups,” Mr Kelly said.

Since 2013, REIA has promoted supply as a key way to improve housing affordability for all; and our *Getting Real*: Strategic Policy Forum on 9 June 2021 agreed that this is best addressed through a coordinated and well-funded national housing plan.

REIA estimates pre-COVID19, the housing shortfall sat at 150,000. NHFIC forecasts that project completions will fall by 12% by 2022 and that demand will fully rebound by 2023 and the supply crunch will return in force. Budget 2021 estimates that net international migration will increase by to 235,000 by 2024-2025 (FY21-22 -77,000).

There is no current government planning process to manage this. Both pre-and-post pandemic, without improved supply planning, it is clear we can expect to see prices jump as supply does not keep pace.

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Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit www.reia.com.au