

State faces housing crisis

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Shortage blamed on government bureaucracy

ALMOST a third of the nation's dire housing shortage is in Queensland where Brisbane developers pay the highest infrastructure costs.

The National Housing Supply Council's state of supply report found it takes between six and 15 years to turn vacant land in Australia into a home in a newly developed suburb.

Queensland has a shortfall of 56,100 homes, only pipped in the accommodation squeeze by

Sydney which needs an extra 57,600 dwellings.

By contrast, South Australia was short 100 homes in June 2009 out of a national supply gap of 178,400 houses.

Federal Housing Minister Tanya Plibersek seized on the report to call for an overhaul of state and local government rules to reduce red tape and development delays.

ComSec chief economist Craig James said the "new

projections should sound a significant wake-up call to state and territory governments".

The snapshot crunches infrastructure charges and finds the costs are "quite substantial in Brisbane (\$25,000) and Sydney (\$15,000) but less so in Adelaide and Perth, and virtually negligible in Melbourne".

The cost of developing a two-bedroom unit in urban Brisbane is \$525,362, second to Sydney which comes in at \$553,621.

The report, now in its second year, informs the Federal Government about housing demand, supply and affordability as it works out how to tackle Australia's rapidly ageing and exploding population.

Southeast Queensland is at the epicentre of that growth boom, with the report forecasting a national housing shortfall of 640,600 homes in 2029.

NSW will feel the pinch sharpest then with a shortage of

261,800 dwellings, followed by Queensland which will need 197,700 more homes.

The report blames housing shortfalls on planning, zoning, subdivision and development approval bottlenecks.

It also found local councils took a conservative approach to development and favoured protecting "neighbourhood character" over broader social and economic planning needs.

"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 Housing Industry Association's Graham Wolfe said.

The Council of Australian Governments has agreed to a set of national guidelines to ensure capital cities have sustainable, liveable and affordable housing.

Treasurer Wayne Swan and his state counterparts are also working on ways to speed up the release of land and rein in infrastructure charges.