

Driving supply, affordability

Hot Property Chris Johnson

New Premier Gladys Berejiklian has made housing affordability and housing supply top priorities for her government with a focus on metropolitan Sydney. The next election is now two years off and Australian Bureau of Statistics (ABS) data shows a steady drop in approvals in NSW.

Adding to this downward trend is the uncertain environment created by council amalgamations over the next two years, with a number of councils fighting the government.

A way forward that could help the premier is using the Greater Sydney Commission (GSC) to take over housing supply and drive projects over the heads of councils. Yet the signals from the GSC are sending a different message.

The GSC seems to be promoting jobs over housing and renaming Urban Activation Areas as Co-Operation Areas in an effort to work with rather than over councils and other agencies. In normal times this would seem sensible, but Sydney's housing affordability is far from normal.

The Demographia 2017 International Housing Survey has positioned Sydney as the second most unaffordable city in the world. The average house is now 12.2 times the

average household income. In 2004 it was only 7.6 times, so we seem to be on an upward spiral.

Bold actions are needed over the next six months to swing the ABS statistics. The Urban Taskforce has asked its members if there are housing projects stuck in Sydney's slow planning system that could be fast-tracked.

We were amazed at the response. 40,000 potential Sydney dwellings are locked in the system in over 40 projects. Some of these are in greenfield areas and most are in brownfield areas of urban renewal. An analysis shows that many of these projects are waiting on input from state government agencies related to roads, water, electricity, traffic or trains.

Clearly the best way to boost housing supply is to set up a hit squad to unlock these lost projects. The government has begun the process by advertising for six housing delivery managers and a director of housing delivery.

This is a good start, but even higher level-authority is needed to drive change across multiple government agencies and metropolitan councils undergoing amalgamation. With Sydney sitting at a not-so-enviable No.2 on that most unaffordable list, we need to get bolder.

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