

## MEDIA RELEASE

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### ABS data shows NSW Housing Crisis remains as Planning approvals continue to lag

The data released by the ABS today reveals ongoing problems with new housing supply in urban areas (Multi unit dwellings which are mostly apartments) in NSW.

The ABS Seasonally Adjusted numbers for NSW tell the story:

New South Wales	Houses	Multi-Unit dwellings	Total
12 months till June 2022	29,620	25,924	55,544
12 months till June 2021	30,356	29,647	60,003
12 months till June 2020	24,158	24,008	48,166
12 months till June 2019	28,437	29,931	58,368
12 months till June 2018	30,575	42,550	73,125
12 months till June 2017	29,360	43,410	72,770
12 months till June 2016	29,455	43,934	73,389
12 months till June 2015	26,464	36,813	63,277
12 months till June 2014	23,329	31,070	54,399
12 months till June 2013	19,643	23,096	42,739

The NSW Planning system has had four bad years of chronic under performance. The former Minister ran planning approvals into the ground. The new Minister for Planning, Anthony Roberts, has recognised the problem and taken some steps to fix it with a substantial boost in the recent NSW Budget. But more needs to be done. Action to reverse this crisis is needed now.

To meet demand for houses in New South Wales, the NSW Planning System needs to see about 73,000 – 75,000 each year.

Not all these approvals result in new homes being built as financial circumstances changes over time.

As was the case last month when this data was published, the Table shows that since 2016, the number of free-standing houses approved each year in NSW has been consistently around 30,000 per year (with a drop off in 2020). This continues to be the case.

On the other hand, multi-unit dwellings (town houses and apartments) dropped off completely from three high performance years (marked in green) of 42,000-44,000 approvals in 2016-2018 to less than 30,000 apartment approvals in each of the last four years (marked in red).

With floods causing quite understandable delays in approvals in some areas of Western Sydney, the planning system needs to approve more apartments in flood free, build up urban areas as well as finding ways to safely maintain its performance on free standing houses or the housing supply crisis will get worse.

Rents are on the rise as interest rates are going up and housing supply remains below what is needed. Very soon young people and those without the means to buy a home will be forced out of the Sydney housing market altogether.

We need to dramatically boost housing approvals. More money in the budget is great – but the performance of the planning system is lagging dreadfully. How can we attract the migrants we need to support the growth of our economy if there is nowhere for them to live?

While prices of new homes are easing due to rising interest rates, the new home price drops are negligible compared to the rises we have seen over the past 3 years. Prices have sky-rocketed and remain at record highs as a proportion of household incomes.

End

[ABS-Housing-Approvals-Data-Released-2-August-2022.xlsx](#)

(Note – the data highlighted in Green has been added to enable an annual calculation)

**The comments above can be attributed to Tom Forrest, CEO, Urban Taskforce.**

The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.

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