



Managing Urban Land Supplies

Policy Background

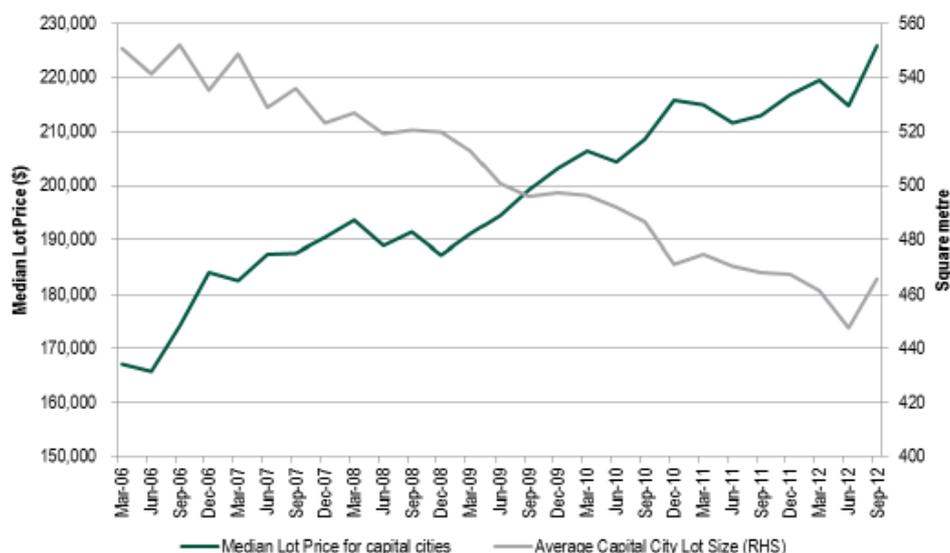
- It is vital that Governments maintain an adequate supply of land for housing in both Australia's major cities and regional centres.
- This is because demand pressure for housing that is affordable from all demographic sectors will continue.
- The continued growth of our major cities is therefore inevitable and governments must reasonably plan for this.
- In many areas state governments have introduced policies designed to curb urban sprawl which has seen an increase in medium density dwellings and apartments.
- But adequate long term land supplies for infill and greenfield housing should be an essential element of every state government policy.

Policy Issues

- Metropolitan Strategies have attempted to manage urban growth but generally they have supported and encouraged consolidation within existing urban areas, actively limiting urban growth.
- Urban Growth Boundaries (UGBs) are also a key strategy employed by state governments to manage urban growth.
- As a result increasingly of UGBs, landowners and governments either withhold or control the supply of land to the private development market.
- Over time, average lot sizes have decreased, whilst average lot prices have continued to rise.

Median Lot Price and Lot Size

Source: HIA Economics



HIA's Policy Position on Managing Urban Land Supplies

1. The primary function of Government in planning for future housing supply should be:
 - a. to streamlining the planning process;
 - b. to provide key infrastructure to facilitate well planned residential growth; and
 - c. to ensuring adequate land supply to meet growing demands for new housing.
2. The development and implementation by government of metropolitan strategies in consultation with industry is supported to manage growth and provide certainty of land supply.
3. Government strategies should be long term to create certainty of land supply and seek to create an appropriate mix of allotments in good locations at an affordable cost.
4. Metropolitan strategies must identify a rolling minimum of 15-25 year forward land supply (to be reviewed every 5 years) to meet long term demand.
5. Within this long term strategy land supply, government should work with industry to ensure adequate land with development approval to meet short term demand (e.g. 5 year supply).
6. State and Territory Governments should regularly report on the number of allotments available at key stages of the subdivision process being:
 - a. Zoned for urban development (prior to subdivision planning approval);
 - b. Subdivision (Planning) Approval;
 - c. Subdivision Works (Operational) Approval;
 - d. Subdivision Completion Approval;
7. HIA opposes urban growth boundaries (UGB) as a means of managing urban land supplies.
8. Where UGBs are in place, there should be a transparent and regular review process that does not rely on legislative change or Parliamentary consideration and involves consultation with the community and the housing industry.
9. Governments should ensure metropolitan strategies have a focus on implementation and communication with communities so there is a clear expectation of the type of residential development that may be allowed in an area.
10. Governments should identify, promote and actively support the identification of infill land available for residential development.
11. The State Government's role in developing land should be limited to supplying housing which is affordable or which meets the needs of disadvantaged within the community or requires the state to act in a facilitation role to deliver complex redevelopment projects.