

Housing shortage to become dire by 2020

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Australia could face a critical housing shortage by 2020 if immediate action is not taken, The Housing Industry Association has claimed.

HIA's JELD-WEN Housing report, released yesterday, found Australia needs to build at least 1.6 million homes over the nine years to 2020 to avoid a chronic housing shortage.

"If we build at the average rate of the last 20 years many areas of the country will have a critical housing shortage by 2020. Under such a scenario the cumulative national shortage could approach 500,900 dwellings," HIA senior economist Andrew Harvey said.

"Clearly that situation can't be allowed to happen and it doesn't have to happen. Substantial policy reform is required, and can be achieved, to ensure Australia begins reducing its shortage of dwellings, rather than accumulating a larger one."

The greatest housing supply challenge is in New South Wales which, under HIA's medium build-rate scenario, could reach a dwelling shortage of 155,700 dwellings by 2020 in the absence of sustained policy reform.

Under the same scenario, the projected dwelling shortages at 2020 in the other states and territories are: 104,200 dwellings in Victoria; 112,000 dwellings in Western Australia; 91,800 dwellings in Queensland; 24,600 dwellings in South Australia; 12,500 dwellings in the Northern Territory; and 1,400 dwellings in the ACT