FINANCIAL REVIEW

By Nila Sweeney Sep 12, 2023



Neighbours warn buyers: We'll oppose any changes to single family zoning on our street

Property experts are calling on state governments to urgently revamp existing planning rules if they are serious about fixing the housing affordability crisis.

"The thing that would make the biggest difference is reforming those planning rules because we think they are the single biggest constraint now," said Brendan Coates, economic policy program director at Grattan Institute.

"Just the basic rules of what you're allowed to build within 10 kilometres of the city centre in Melbourne and Sydney is the biggest driver of unaffordable housing in Australia because it will not be affordable unless it's abundant. That would be number one: the states reforming those planning rules to up-zone what is possible."



From left: the Financial Review's Nila Sweeney; Nicholas Proud, CEO, PowerHousing Australia; LongView's Evan Thornley; Maree Kilroy, sentor economist, construction and property forecasting, Oxford Economics; Brendan Coates of the Grattan institute. **Michael Quelch**

Speaking at The Australian Financial Review Property Summit, Mr Coates said Auckland's decision to allow for greater density in a large part of the city in 2016 resulted in significantly lower rents and showed tweaking the planning rules to allow more housing supply clearly worked.

The increased density led to a 4 per cent increase in housing stock since 2016, when planning rules changed in New Zealand's largest city.

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