

Media Release



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REIA SAYS HOUSING SUPPLY AND AFFORDABILITY CAN BE ADDRESSED TODAY

Australian housing and rental supply are at crisis point but there is a lot the Australian Government can do to address this right now.

The Real Estate Institute of Australia (REIA) President, Mr Hayden Groves said that Budget 2023-2024 should place an emphasis on measures that can help the many Australians right now.

Mr Groves said the REIA Budget Priorities 2023 – 2024 articulate five action points that can be implemented immediately and will assist those who are struggling with the current housing situation. These are:

1. Commission an occupancy audit of all government owned housing
2. Pin the rate of Commonwealth Rental Assistance to market rents
3. Make interest rates tax deductible for first home buyers
4. Commission a rapid response study to identify faster ways to build houses
5. Work with Local Governments to identify latent capacity in housing stock

Mr Groves said that falling housing prices are not easing the situation as interest rate hikes are pushing mortgage repayments to new highs.

“In the September quarter of 2022 the total value of residential dwellings in Australia was \$9,674.4 billion – a fall of \$358.9 billion in the quarter. This is the largest quarterly fall in the value of residential dwellings in Australia since the series commenced, in September 2011.

“Coinciding with this, in December 2022 the value of total new housing loan commitments continued to decline in December by 4.3% from record high levels earlier in 2022. New owner-occupier loan commitments fell 4.2% to \$15.6 billion, while new investor loan commitments fell 4.4% to \$7.9 billion.

“There are a range of Australian Government initiatives in support of ‘Safer and more affordable housing,’ and these are welcomed like the Housing Australia Future Fund, the National Plan for Housing and Homelessness and the National Affordability and Supply Council.

“It is expected they will be restated in the coming Budget. Despite inflationary pressures, it is without doubt Budget 2023 – 2024 has a much better than expected economic outlook. However, this does little to alleviate pressure on Australians seeking to buy or rent a home immediately and look to address structural issues inhibiting supply and affordability in Australia.

“Real estate practitioners across sales and property management are at the coalface of this crisis. In my hometown of Fremantle, an affordable rental recently had 88 parties inspect it and 49 applications to rent it. That means 48 Fremantle locals have missed out, and for most of them a familiar outcome.

“This is happening every day across Australia and immediate relief is needed. REIA’s Budget Priorities – 2024 focuses on recommendations to assist Australians with the aim to deliver real solutions to Australia’s housing crisis now,” he said.

The REIA Budget Submission Priorities 2023 – 2024 also contained two additional simple but fundamental recommendations:

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- 6. Unlock existing housing supply
- 7. Build more houses

The REIA Budget Priorities 2023 – 2024 can be viewed: [here](#)

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