

The Secretary  
House of Assembly Select Committee on Housing Affordability  
Parliament House  
Hobart Tas. 7000



Dear Sir

For attention; James Reynolds via email.

Real Estate Institute of Tasmania submission on Housing Affordability

The Real Estate Institute of Tasmania (REIT) is pleased to provide the following comment on the many factors which we believe impact the affordability of our housing in this State. Whilst the responsibility for subsidised public housing remains a Government responsibility there are things that can be done to ensure we can provide accommodation for all who require it.

We are currently in a very precarious situation with a dire shortage of both rental and owner occupier accommodation in the public and private sectors. We have a building industry currently working at or near capacity; demand for new housing that exceeds production levels; a failing planning scheme which is bastardised by many administering it; copious layers of administrative red tape which linked with the planning scheme not only drag out but significantly add to the cost of development; and possibly the most expensive building costs of any State in Australia..

Our size inhibits our ability to meet and consume a growing housing and accommodation demand way beyond the scope ever previously experienced. Through no fault of our own we have become victims of our success. A booming tourism market, flourishing tertiary education environment and growing agricultural and Aquaculture industries have been the catalyst for strong jobs growth and a prospering economy.

Nobody could have foreseen or forecast what has evolved over the past 5 to-6 years and the stress it would place on many sectors of our community.

We look forward over the coming pages to sharing our thoughts on some of the major aspects of housing affordability which affect our industry and today's consumer.

Tony Collidge                      REIT President

Mark Berry                         REIT CEO

## **Introduction**

Recent data released by the Australian Bureau of Statistics clearly depicts Tasmania's reliance on Government for support across most sectors of our community. We have the lowest average wages figures of any state with one in three people reliant on government for support. There has also been data produced outside of this report to suggest that Tasmania has the highest reliance on government for employment of any state in Australia. Rising costs of living, increasing housing and rental prices are placing real pressure on lower to middle income earners.

Set out on the following pages are the steps that we have identified that may assist alleviate some of the matters which restrict us from providing the level of accommodation we need. I am uncertain as to whether accommodation can be made more affordable and to what degree the private sector could or can support the public sector with its need for more housing.

I am wary of the cry for "Affordable Housing". Does such a thing really exist? What does it mean and how do we/ Government deliver it?

To be competitive the world economy is making it harder for us to pay higher wages. And the cost of living always seems to be increasing. We are becoming more and more reliant on Government to bridge the gap the tax base from which we raise our revenue is small and very reliant on Federal support. The 2018 State Government budget papers showed that estimated income for that fiscal year was \$5.6 Billion of which two thirds was supplied from the Federal Government by way of GST distribution and Grants. We raise one third of our own revenue which is quite scary. We constantly hear cries for a top-class health system; top class education system, more roads/tunnels/ferries/trains, and for more housing. How do we establish our priorities and where's the money coming from? There are no quick fixes or easy solutions for any of these issues.

## **What is Affordable Housing?**

The New South Wales Family and Community Services Department have defined Affordable housing as follows: "Affordable housing is housing that is appropriate for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care and education. As a rule of thumb, housing is usually considered affordable if it costs less than 30% of gross household income."

What is becoming increasingly evident in today's market is that rising property prices and increasing rents are placing an insurmountable stress on not only those that are waiting for public housing but on many private home owners and renters as well. Today many middle

to moderate income earners are experiencing mortgage and rental stress and should interest rates increase quickly and substantially the impact could be catastrophic. Researchers have identified that as many as 40% of mortgagees could be affected.

## **Provision of Affordable Housing**

I do not believe that affordable housing can be achieved without some form of government subsidisation. There are a number of options that can be considered but all rely on government for some form of support. This can be by means of:

- Providing Crown land for building,
- Providing financial assistance.
- Waiving Stamp Duty and government fees,
- Guaranteeing rent, bond, maintenance on privately owned public housing.

Whilst Affordable Housing is reliant on Government support, I strongly believe that more can be done to “free up” private housing and rentals alleviating the pressure and reliance on Government. Simply, less red tape, better fluent planning and encouragement and support for private development could open a way to provide the supply (of more dwellings) we need and release the market from continuing upward price and rent movement.

## **AHURI Report published November 2018**

The Australian Housing and Urban Research Institute released a very detailed report on social (public) housing. The report established that over the next 20 years an additional 727,300 public dwellings will be required throughout Australia. The report proposes that an additional 6600 homes will be required in Greater Hobart and interestingly 7,600 across the remainder of the State. Tasmania’s share of Australia’s needed growth in social housing is 1.9%. Tasmania’s current level of public housing (12,100 dwellings) represents just 3.1% of the national public housing total.

### **Some of the key findings of this report were as follow:**

Safe, adequate, affordable and appropriate housing is critical to health, wellbeing and social and economic security, but many Australians cannot find housing in the private market, and the social housing system, incorporating public and community housing, is under-resourced and manifestly unable to meet demand.

As a form of spatially fixed, materially realised capital expenditure that supports a range of social objectives in areas like public health, economic development and addressing market failure in the housing market, social housing is a form of essential social infrastructure that warrants public investment. However, political will remains the critical determinant of the level of that investment.

Even with efficient financing provided by the National Housing Finance and Investment Corporation (NHFIC), there remains a considerable funding gap. We undertook financial modelling to identify the most effective strategy to address this gap, finding that needs-based capital investment (NBC) supplemented by efficient financing provides the most cost-effective pathway for Australia. A model with no upfront capital investment, reliant on commercial financing and funded by an operating subsidy is substantially more expensive.

We analysed the extent and spatial distribution of need for social housing and the cost of its procurement in 88 different land and construction markets across Australia. The results show that over the next 20 years, 727,300 additional social housing dwellings will be required, with current-price procurement costs varying from \$146,000 to \$614,000 per dwelling, depending on local land values, building types and construction costs in different regions.

### **How can we free up the markets in an effort to achieve more affordable housing?**

This is the most important question that needs addressing in order to achieve a positive outcome.

#### **What we can't do:**

- Rely on building industry to construct more homes quickly
- Significantly reduce the cost of building.
- Bury our head and hope that it will go away.
- Continue to allow local government to administer and control the planning and building process.
- Continue to encourage and allow urban spread which impacts all areas of infrastructure.
- Can't readily find \$162,000,000 plus land costs to fund 1000 public homes.
- manipulate or adjust rents or property selling prices without suffering consequences.

#### **What we can do:**

- Create a more relevant and effective planning scheme which gives certainty.
- reduce bureaucratic and administrative red tape and non-essential fees
- Focus on smarter and better use of our land. Infill and medium density housing particularly around city centres. Smaller blocks of land

- Take the planning and building approval function away from local government
- Establish an independent Authority which oversees all Planning, building and Infrastructure needs.
- Be proactive about development and growth.
- Get serious about providing the help and support to the sectors of government who administer public housing.
- Embrace change and focus on economic, social and environmental benefits.
- Amalgamate councils so they manage the bigger picture instead of their own patch.
- Encourage and work with investors and developers to achieve the outcomes you want. Not allow things to drift on. Offer incentives
- Be proactive not reactive.
- Ensure that any public housing scheme is administered properly with properties audited and inspected regularly
- Move away from traditional models of stand-alone housing. Look to cater for all needs providing shelters, half way houses, with standards and levels to meet the needs of all classes of people.
- Provision of public housing should be regarded as a privilege and not a right.
- Government should have the right to move tenants at their (the Governments) discretion to ensure best use of resources.
- Evict tenants that don't look after properties.

### **How can we help the process?**

Before entangling ones-self in the emotive Housing Affordability debate it is important that an understanding of what has occurred in our local real estate market be clearly understood. An understanding of its drivers will assist in developing a means to endeavour to establish the actions that need to be undertaken going forward.

### **Tourism Growth**

In 2014 the REIT, together with several other prominent industry groups, were invited to a Tourism Tasmania Forum where we were asked to encourage investment in hotel, motel, and apartment accommodation. At this time there was a 700 room per day shortage for tourist accommodation between October and April. This figure has continued to grow to a level that today exceeds 1500 rooms per day. From 2014 to 2017 tourists' numbers coming

to Tasmania increased by more than 200,000 or approximately 3800 per week. Numbers increased a further 3% in 2018.

Latest Tas Tourism figures show that 1.32 million tourists visited the state last year spending an average of 10.6 nights here contributing \$2.49 Billion to our economy. This averages out at around 38,400 tourists in the state each day.

The failure of both State and particularly Local government to be proactive in encouraging tourist accommodation ventures has been a major failing and has contributed significantly to the current situation we find ourselves in.

### **The Rise of Airbnb.**

As we did not and still don't have enough Hotel, motel, or Apartment accommodation rooms to cater for the growing surge of tourists coming to our shore's homeowners saw an opportunity to open their dwellings to the tourists. Income obtained from Airbnb lettings was far superior to long term rental returns causing some investors to transition their properties to this form of rental. Between 2016 and 2018 Airbnb numbers soared to a level where they have grown to in excess of an estimated 3000 properties across greater Hobart. With new hotels coming on line and ordinary long-term rents increasing we are starting to see marked decreases in some Airbnb occupancy rates resulting in some investors reverting from Airbnb back to long term rental.

My company managed a 4-bedroom property in Sandy Bay which as a long-term rental bought its owners \$29,000 rental income per annum. It converted to Airbnb and gross income last year was \$86,000 (and after outgoings netted \$65,000).

It is important to note that the highest saturation of Airbnb properties is in the Hobart Municipality; relatively close to the city CBD. As further hotels and inner-city accommodation comes on line we believe the Airbnb numbers will continue to decline. There will always be a market for Airbnb as it has become a world- wide phenomenon

investors chose to use an Airbnb platform for a number of reasons which include:

- The landlord has control of the property and lettings. They are not at the mercy of the current tenancy legislation which dramatically impedes their rights.
- Had a bad experience with long term tenants
- Instead of selling their home to buy another the high returns from Airbnb made it possible to keep their old home (Airbnb it) while using its equity and the Airbnb income to meet mortgage payments to purchase their new home.
- People specifically purchased to Airbnb.
- Some landlords love the Airbnb experience and sharing their home with others.

It is interesting to note that many Airbnb owners would sell their properties before moving to long term rental. Location is the important ingredient for Airbnb. You don't see many Airbnb properties in the outer suburbs of greater Hobart. We are seeing the number of Airbnb properties increase around the state as the lack of tourist accommodation in other regions is unable to meet demand.

### **Growth of Tas University Enrolments**

In mid 2015 the University of Tasmania announced that it was aggressively going to grow its student participation numbers with a view to doubling its enrolments over a ten-year period. Very quickly student numbers have grown and in particular mainland and international student numbers grew well in excess of 3000 per year. The university only provided a minimal number of in-house accommodation rooms with the vast majority of incoming students required to find their own accommodation from within the private sector. It is not uncommon to have an open home in the early part of the year and have between 50 and 100 students inspect and lodge an application. I feel extremely sorry for the students and believe it was very poor of the university not to have planned for the impact that such growth would have on the community and the students but also the image it portrays of us as a destination.

### **Tasmania becomes a Tree and Sea Change destination**

Increasing urbanisation, changing climatic conditions, improved technology and an affordable property base (in many mainlanders' eyes) have seen a growing number of people moving from mainland Australia to our shores. Over the past 4 years our records show 4681 mainland buyers have acquired property in Tasmania to live here. A further 3169 acquired property in Tasmania to use for investment purposes.

### **Flourishing Economic conditions.**

In 2019 Tasmania has one of the best performing economies in Australia. We have a strong tourism trade, strong agricultural and aquaculture industries, growing tertiary facilities and intake, expansive building activity all which are enhancing job opportunities and jobs growth throughout the State. People no longer have to leave Tasmania to find work. It's actually here for them! While this is great news it also closes the door to what was a continuous flow of property to sell or rentals to fill (as people left). A prospering economy has seen the States real estate market (Hobart in particular) decimated of properties to sell. The number of properties for sale have been at all-time lows for more than three years now. Numbers are down 30-40% on what they were 4 years ago. The lack of properties to sell and rent is one of the main contributing factors to the significant increase in rents and property prices over the past four years.

Robust economic conditions have been a catalyst for positive population growth which has occurred over the past three years. Whilst such growth has only been small (2000-2500 people per annum) it has placed immense pressure on an already tight market. The need for infill accommodation (whether housing or apartments) particularly in Hobart is paramount. We could readily fill 1000 inner city properties if they were available.

Given the current situation it makes for interesting conversation when you discuss how we are going to provide accommodation for the 40,000 people expected to move/migrate here over the next decade.

### **Cumulative impact of Tourism, growing UTAS numbers, Sea and Tree Changers. and positive population growth.**

Firstly, with a growing economy creating more jobs less people are moving interstate. With less people moving interstate there are fewer houses available for sale or rent. Tourism a growing UTAS and Sea and Tree Changers have seen the demand on rental and private housing grow exponentially in a market which is already unable to cope and meet the levels of demand sought of it. This overwhelming demand has and continues to force property prices and rents to increase across all areas of the state.

We know there are in excess of 3000 people on the public housing waiting lists; that we have the lowest vacancy rate ( 0.7%) for rental property anywhere in Australia, and we need a minimum of 2000 properties in addition to what we are already developing to meet the current demands of first home buyers, investors and those seeking to up/down size. We have a building industry which is working at or near capacity and it is very difficult to see any reprieve or respite in the short to medium term. The issue is how do we get the industry to build an extra 5000 homes over and above what it is currently producing. This can't and won't happen overnight.

An expanding population base and growing need for more residential accommodation is having an inherent impact across all regions of greater Hobart. With population numbers currently around 229,000 and set to grow by approximately 40,000 over the next decade some serious thought needs to be put into our infrastructure and ability to cope with these growing numbers. We have the second lowest population density of all Australia's capital cities at 124 people per square kilometre, well behind Melbourne at 453, and Adelaide at 404. Hobart is Australia's 10th largest city and its size has become its problem. We are too small to be able to cope with significant demand swings. We don't have the resources on hand to meet the challenge.



## **Our local building industry.**

Tasmania is renowned for the quality tradespeople it produces. For their exceptionally high skill level, knowledge, experience and output. Both Mark and I have children in the building game. We talk broadly when we cover this topic but with some sound inside knowledge.

Never in my lifetime has there been the level of public, commercial and residential building activity occurring simultaneously. We have the Royal Hobart Hospital, Parliament Square, the Marriott, the University Arts Centre, The Crown Plaza and Marriott Hotels and several other major developments worth hundreds of millions if not billions of dollars. We have a plethora of work in the pipeline with no imminent end in sight.

On a housing front we have construction at record levels (approx. 2500 -3000 dwellings per annum). There is little scope for significant increases in production in this area.

## **Building industry Issues**

- Tasmania is currently one of the most expensive places to build. Material costs are well above mainland prices. Council fees and regulation, stamp duty, insurances and boundless red tape adds to the cost
- We have a small workforce who are working at capacity. Builders find it hard to take on trainees/ apprentices because they can't afford the time to train / supervise them.
- Getting mainland staff in is not a consideration as we don't have the accommodation to house the numbers we would need.
- Likewise offering incentives to take on apprentices and train them is also very difficult in these trying conditions. We know we need skilled labour now; we're not sure what the situation will be in 3-4 years' time when they finish their apprenticeship.
- The cheapest a property could be built for today would be around \$1200 per sq. mtr. Most homes are being built at around \$2200 to \$2500 per sq. mtr.
- The availability of land and the lack of ease with which it can be cut up is another major impediment.
- A cumbersome planning scheme fails miserably to support developers or builders; nor assist them in a timely efficient manner.
- Developers currently fear that the demand for builders will see prices skyrocket to a level where projects could become unviable. There is a real concern that state and commonwealth funded projects will pay "what it takes" to get the job done with total disregard to the impact this could have on the greater market. If the University agrees to have its new campuses built at \$3000 per sq. mtr then that becomes the new market benchmark. Government are renowned for exceeding project budgets

and feasibility projections. Often with very little concern that it's the tax payers money they are spending.

## **Structure of our real estate market**

Being a small market on a national scale, we have the highest owner occupier percentage (75%) for home ownership anywhere in Australia. Counter wise we have the lowest rental percentage (25%) of anywhere in Australia. A low investment component has meant that we do not have the capacity to cover periods of high demand as currently exists.

In 2018 Sydney averaged 17000 residential transactions per month (as opposed to 450 in Hobart) but more importantly its market structure is 60% rental and 40% owner occupier. Melbourne is 50/50. Sydney's structure is what lead to the decrease in prices that it has experienced over the past 18 months. This was a result of APRA changing investor borrowing capacity and the federal government implementing a 3% levy for foreign buyers who represented 5-10% of the sales in their market. In Tasmania less than 2% of our sales were made by overseas buyers. As Sydney's exposure to a much higher investment market sector saw prices tumble because of the constraints placed on investors entering or reengage in the market Tasmania suffered negligible impact because of our small rental sector.

## **The Rental Crisis**

Tasmania's rental market comprises of 25% of its dwellings. This is the lowest percentage of any state well behind the 60% of Sydney and 50% of Melbourne. Traditionally it had a 3-4% vacancy rate however with a growing population, growing university student numbers and increasing employment opportunities the demand for rental accommodation has outstripped its supply.

SQM Research has our vacancy rate at May 2019 of 0.5% with just 160 vacant properties available for rent. By comparison Sydney had a vacancy rate of 3.3% with in excess of 20,000 properties to rent. At 12 July 2019 SQM had Hobart's median house rent at \$441 which had increased 10.5% on the previous year. Hobart unit/townhouse median rent was \$403 which had also increased 16.1% over 12 months.

We suspect that as much as 50% of the people waiting for Public Housing are currently using the private sector to meet their housing needs. If it were possible to build a significant number of Public housing dwellings this would significantly reduce pressure on this sector of the market freeing up rental stock in the private rental sector. This could see rental increases minimised possibly even downward movement in rents as vacancy rates increase.

The alternative is that government support private developers in order to significantly increase the construction of private dwellings in the market which could be used for both private and subsidised public housing.

If the rental market is freed up some landlords may decide to sell which will then also free up the residential sales sector.

## **State of the Market**

From 2011 to 2014 Tasmania was an economic basket case with Australia's worst performing economy and highest unemployment rate, and people leaving the state in large numbers. In 2012 there were ample homes available for sale to meet buyer demand and a three-bedroom home in Hobart rented for \$325 per week and our rental vacancy rate was 4.5% a far cry from today where rents have increased to \$410 and vacancy rate 0.7%.

Today we have one of Australia's best performing economies with a significantly decreased unemployment rate, and for the first-time positive population growth.

To overcome our current housing issues, we really should have started planning 5 or 6 years ago but given the distressing economic situation we were in who would have bothered. At that time, it seemed unlikely that things would change and there was no need for more housing on the horizon. Now that things have changed, we need to appropriately address what needs to happen and be proactive about it. Hobart's inner city needs infill housing and it needs a system that can allow it to happen. Like many I value our heritage properties and the beauty that surrounds this city. Planned properly we can enable infill housing to occur creating significant social and economic benefits without taking away Hobart's charm.

Over recent years the tourism boom, a significant growth in Tertiary students coming to Tasmania to study, and economic growth that has seen a surge in job numbers and has put an unhealthy strain on the ability of the city to meet housing/ accommodation supply. Add a further 2500+ dwellings that are required to meet our current Public housing needs and Hobart is in need of near 5000 dwellings to meet current demand.

It is totally unacceptable that through our inaction, we are forcing people into living situations that are substandard and unacceptable. Students should have a bed to sleep in; locals' apartments to live and tourists a place to stay. Provisions should exist to house the needy and our social housing lists shouldn't be so long! The delays in providing such accommodation falls at the feet of those who could have been proactive and assisted growth in our city instead of trying to stop it.

## **Local government**

Tasmania deserves better than what we are getting. A review of Tasmania's Local Government Legislation is currently underway and is hoping to achieve greater innovation, flexibility, and productivity. It is supposed to enhance accountability and transparency; minimise red tape and administrative burden. Ultimately giving us more confidence with its achievements and outcomes. But guess what; the review is being headed by senior local government administrators and will not consider Council amalgamations, the role and

functions of the State government and Councillors or council planning, financial management arrangements and the Code of Conduct. It's strange but from an outsider looking in these are the most important factors that need reviewing to provide a more efficient and effective local government. If Hobart had a Greater Hobart City Council comprised of Hobart, Glenorchy, Clarence, Kingborough, Sorell and Brighton then perhaps a holistic approach would be used to address many of the issues we face, and each could be put into a more appropriate context. Issues such as the traffic problem could be addressed from the areas in which they originate, and council could work towards resolving such problems.

Matters such as affordable housing could be addressed in the areas where it is needed. Not where those members from local government, charities, and not for profit organisations live. Do we really need more affordable housing in the city?

### **The need to remove the Planning process from municipal councils**

I strongly believe that as long as we retain the current Local Government involvement with planning things will never change. Each will remain parochial to its own values and never be totally committed to a holistic approach. We will continue to be over governed and overcharged! Without a strategic united plan to accommodate our growth, urbanisation will continue to spread encroaching more into regional areas increasing its urban sprawl which will only exacerbate many of the problems (traffic, services- water, power, sewage) we currently face. We need to be much smarter with our town planning particularly catering for a growing demand for infill and medium density housing. We need to use the space we have more wisely, and we need to ensure that our infrastructure is adequate to service future needs. We need a complete overhaul of the regional planning and building process including its removal from Local Government.

We need to have a Planning scheme which is administered by impartial professionals away from City/ Municipal Councillors and free of "Red Tape". The planning scheme should define precisely what can and cannot be built in a location (including constraints such as height, setbacks, parking.....) so that investors can act with some certainty when making a decision to buy. There should be no scope for appeal if all aspects of the planning scheme are met. A State wide single planning scheme should be administered by a newly established Planning Authority which also incorporates Taswater and Tasnetworks representation to become one stop shops for Planning and Building approvals.

Unfortunately, the existing manner upon which the planning system works is open to bastardisation by Councillors and minority groups. I am aware of situations where a councillor developing land gets preferential treatment over a neighbour trying to do the same. Councils making developers pay hundreds of thousands if not millions of dollars to upgrade pre-existing infrastructure (which is the Councils responsibility) otherwise the

development will not be approved. Is it fair that 1000 people can hold a city to ransom and waste tens of thousands of rate payer's money in selfishly seeking their way?

### **Strong demand for inner city Apartment living**

Over the past three years there has been strong demand for inner city apartment accommodation from people wishing to live closer to the city. The demand comes from retirees and older people seeking to downsize, professional couples and people moving here from interstate. Such property has only been available in a very limited supply. Recent growth in inner city property prices has now made it viable for investors to build multi storey Developments which our local government goes to great lengths to restrict or refrain from approving. I wonder what the economic and social impact of 10-15,000 more people living in the inner city would have on local businesses, restaurants, for employment, and for income to the council. This is where many people want to be!

### **Conclusion**

Hobart is only a small city and because of our size we have not been able to handle the recent growth spurt that has resulted from a prospering economy. This growth has stretched our housing accommodation and rental resources beyond their capacity. Because of this we are the only capital city whose property prices and rents are increasing. And will continue to increase into the immediate future. We need to have a plan for our future, and we need to accept there will be change. We need all levels of government proactively encouraging growth and development. We need all tiers of government to act effectively, to be accountable for its actions, to minimise red tape and administrative burden, to be cost effective and above all to be consistent and transparent and to give us confidence in our future. We don't want the onerous burdens that the current system exudes.

If Hobart and Tasmania are to move forward, we need to accept that there is a need for change. Whilst change is confronting to most of us, we need certainty in development, planning and infrastructure. We need optimism and conviction from all levels of Government; We must ensure the NEEDS, are always considered over the wants of our community.

A comment I often hear, and feel is very pertinent in today's political climate is that the State really doesn't have a lot to offer the young and ultimately keep them here. We are concerned with how future governments will build on to and retain the momentum that this government has given us. To go backwards will only return us to the days of angst and doom. There will always be a need for public housing but a vibrant economy with sound Government policy and support can provide benefits for everyone. A vibrant economy creates jobs and provides opportunity for us all. Hobart and Tasmania have an incredible opportunity to share its success with everyone.

## Average wage of Australian States.

Set out below is average wage figures taken from Australian Bureau of Statistics

The figures show the percentage that rents represent of average annual income and the 25 - 30% range that weekly rents should not exceed.

## Average Full Time Ordinary Time Earnings Q2 2018

State	Average Annual Wage	25% to 30% of weekly wage	Capital city rents at 31/12/2018	Rent as a percentage of wage
Tasmania	\$71,718	\$345 - \$414	\$433	31.4%
South Australia	\$75,369	\$362 - \$435	\$381	26.3%
Queensland	\$80,304	\$386 - \$463	\$432	28.0%
Victoria	\$80,610	\$388 - \$465	\$451	29.1%
New South Wales	\$83,517	\$402 - \$482	\$583	36.3%
Northern Territory	\$86,762	\$417 - \$501	\$463	27.8%
Western Australia	\$90,496	\$435 - \$522	\$378	21.7%
Capital Territory	\$94,224	\$453 - \$544	\$539	29.7%

## Housing price growth over the past 20 years.

The graph below clearly shows that all Australian Markets have experienced significant growth over the 20 year period. At the time the table below was prepared Sydney's median price had decreased \$150,000 over a 12 month period while Perth and Darwin markets had retreated considerably as well.

	Sydney	Melb	Bris	Adel	Perth	Hobart	Darwin	Canb
Pop.	5.0m	4.7m	2.4m	1.3m	2.0m	224k	146k	435k
2000	287,000	191,000	170,000	135,000	156,250	117,750	186,800	180,825
2019	1,028,000	809,500	564,000	542,500	530,000	478,000	514,000	722,500
Gwth%	258.1	323.8	231.7	301.9	239.2	305.9	175.1	299.6

The table below depicts Corelogic rental data for the December quarter of 2018.

Region	Median rent	Change in rents			Yields	
		Month	Quarter	12 months	Current	12 months ago
Sydney	\$583	-0.7%	-1.4%	-3.0%	3.3%	3.1%
Melbourne	\$451	0.0%	0.0%	2.4%	3.5%	3.1%
Brisbane	\$432	0.2%	0.3%	1.5%	4.5%	4.4%
Adelaide	\$381	0.1%	0.6%	1.5%	4.4%	4.3%
Perth	\$378	0.3%	0.4%	2.0%	4.1%	3.8%
Hobart	\$433	0.7%	0.9%	5.8%	4.9%	5.1%
Darwin	\$463	-0.6%	-2.0%	-5.8%	5.8%	6.1%
Canberra	\$539	-0.2%	0.6%	5.3%	4.6%	4.5%
Combined capitals	\$462	-0.2%	-0.4%	0.0%	3.7%	3.4%
Combined regionals	\$373	0.2%	0.3%	1.8%	5.0%	4.9%
<b>National</b>	<b>\$433</b>	<b>-0.1%</b>	<b>-0.3%</b>	<b>0.5%</b>	<b>4.0%</b>	<b>3.7%</b>

# Affordable Housing Projections from Australian Housing and Urban Research Institute

Area of Australia	Social housing share		Manifest need		Evident need		Total need 2016–36
	Current (met)	Projected to 2036	Current	Projected to 2036	Current	Projected to 2036	
	Column a	Column b	Column c	Column d	Column e	Column f	Sum of col's b–f
Greater Sydney	85.4	31.6	11.6	4.3	67.9	25.2	140.6
Rest of NSW	48.3	7.3	3.5	0.5	52.8	8.0	72.1
Greater Melbourne	46.5	20.6	8.2	3.6	65.9	29.2	127.5
Rest of Vic.	21.1	4.1	1.7	0.3	27.0	5.3	38.5
Greater Brisbane	32.3	15.4	3.7	1.8	39.4	18.8	79.2
Rest of Qld	35.3	14.1	5.0	2.0	53.4	21.3	95.7
Greater Perth	24.5	17.0	2.1	1.5	28.2	19.6	68.3
Rest of WA	14.9	6.2	1.5	0.6	7.0	2.9	18.2
Greater Adelaide	33.8	8.5	1.9	0.5	23.7	5.9	40.4
Rest of SA	9.7	0.9	0.6	0.1	7.2	0.7	9.5
Greater Hobart	5.7	1.0	0.3	0.1	4.4	0.8	6.6
Rest of Tas.	6.4	0.6	0.3	0.0	6.1	0.6	7.6
ACT	9.9	4.1	0.6	0.3	2.5	1.0	8.5
Greater Darwin	3.1	1.0	0.7	0.2	0.9	0.3	3.2
Rest of NT	7.7	3.7	4.8	2.3	0.3	0.2	11.3
<b>Australia</b>	<b>384.6</b>	<b>136.2</b>	<b>46.6</b>	<b>18.1</b>	<b>386.8</b>	<b>139.7</b>	<b>727.3</b>

Note: All figures are in '000s.

Source: Lawson, Pawson et al. (2018).