



NEWS RELEASE
The Hon. Kristina Keneally MP
Member for Heffron
Minister for Planning
Minister for Redfern Waterloo

Sunday 5 April, 2009

NEW LAND AND HOUSING SUPPLY REPORT GOOD NEWS FOR SYDNEY

There is enough undeveloped or “Greenfield” housing land in Sydney to bring five years’ supply to market, and ten years worth of supply in key redevelopment sites in already urbanised areas.

Planning Minister, Kristina Keneally, today released the NSW Government 2007-08 Metropolitan Development Program (MDP) report.

“The report is based on work conducted between State Government agencies, local councils and the development industry,” Ms Keneally said.

“For the past 30 years, the Metropolitan Development Program has been the NSW Government’s chief tool for tracking land supply in the greater Sydney metropolitan area.

“The Metropolitan Development Program is the key program for managing land and housing supply in this state, and assists the Government to plan for and co-ordinate infrastructure which will be required.

“These reports are a resource for planning infrastructure such as schools, water supplies, hospitals and transport, and also a valuable tool for the land development and building industries.”

Ms Keneally said that the 2007/08 MDP report finds that:

- There are 66 Greenfield release areas with a total potential of 108,180 dwellings, which is 14.4 years’ supply. Of these areas, 39 have been zoned and serviced, a potential for 33,899 dwellings (five years’ supply), with zoned and serviced stock forecast to increase by a further 63,663 potential dwellings (nine years’ supply) over the next five years;
- Major sites in existing areas have the potential for 117,774 dwellings, which is 56% of the supply for the existing urban area over the next 10 years. These ‘major sites’ include Green Square, Homebush Bay, Wolli Creek and the CBD areas of Sydney, Parramatta and Liverpool. The major sites include 51,538 dwellings which are DA approved or under construction.

“There’s no doubt the NSW housing market has experienced a downturn, but the figures I’m releasing today show this is not being driven by a lack of land supply,” Ms Keneally said.

“That said, the current economic conditions are definitely having an impact on rates of home construction, and the Government can and is pushing the levers that we have to address this.

“We’ve launched the **NSW Housing Code**, allowing people wanting to build new homes to get approval in 10 days, saving an average of 110 days per application if the proposed house meets set standards.

“We’ve **reduced infrastructure levies** to provide a much-needed boost to the building industry, reducing state and local government levies by up to \$64,000 per lot.



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“We’re **restructuring the Department of Planning** so it can maintain the rigour but increase the speed of rezoning and development assessment processes, cutting the time it takes to rezone land by 50%,”

“The Government is already working to fast-track land to the market, including in North Kellyville where release plans have been finalised in two years compared to the previous average of ten years.

“And, along with the Federal Government, we have one of the most generous **First Home Owners** assistance programs in Australia.

“The boosted State and Federal First Home Owner Grant Programs deliver up to \$41,990 in direct assistance for first home buyers building or purchasing new homes, and up to \$31,990 for first home buyers purchasing existing homes.”

The MDP report shows the NSW Government is forecast to meet buyer demand, with:

- 42% of new Sydney dwellings to be located within 800 metres of public transport over the next decade, compared to 41% in the previous decade.
- Infill dwelling production located outside of transit nodes to fall from 34% to 33%.
- The amount of Greenfield land development on Sydney’s fringe expected to recover, providing 22% of Sydney’s housing supply over the next decade as part of moves to boost land supply.

“The MDP report is a handbook for everybody involved in planning the future of our city and bringing housing on to the market,” Ms Keneally said.

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FACT SHEET: 2007/08 METROPOLITAN DEVELOPMENT PROGRAM REPORT

- **The MDP report is a handbook** for everybody involved in planning the future of our city and bringing housing on to the market.
- This report is a **key resource** for state agencies **planning infrastructure** such as schools, water supplies, hospitals and transport, as well as the **land development and building industries**.
- Land supply in Sydney is adequate to meet current and ongoing demand, with enough **'Greenfield'** sites currently available to bring five years' supply to market, and another nine years' supply in the planning pipeline.
- There is also enough potential for new dwellings in key redevelopment sites in the **existing urban areas** to provide more than 10 years' dwelling supply.
- The 2007/2008 MDP report finds that:
 - There are **66 Greenfield release areas** with a total potential of **108,180 dwellings**, which is 14.4 years' supply;
 - Of these areas, **39 have been zoned and serviced, a potential for 33,899 dwellings (five years' supply)**, with zoned and serviced stock forecast to increase by a further 63,663 potential dwellings (nine years' supply) over the next five years*; and
 - **Major sites in existing areas have the potential for 117,774 dwellings**, which is 56% of the supply for the existing urban area over the next 10 years. These 'major sites' include Green Square, Homebush Bay, Wolli Creek and the CBD areas of Sydney, Parramatta and Liverpool. The major sites include 51,538 dwellings which are DA approved or under construction.
- **Land supply is not a factor** in the current low levels of dwelling production. Recent adverse economic conditions have played a significant role in the housing downturn.
- The new MDP Report found that the population is aging with substantial growth projected in the over 55 age group which is expected to result in more demand for retirement housing.

*(*Note: Since preparation of the report, zoned Greenfield land supply has increased from 50,063 potential dwellings to 61,563 in July 2008)*