

Media Release

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Australian cities must bridge the housing gap

Australia's major cities need stronger urban renewal policies and better infrastructure delivery for new residential areas, the Urban Development Institute of Australia (UDIA) says.

UDIA National President Julie Katz said the two-pronged approach was needed following the Federal Government's release of the *State of Australian Cities 2012* report. Released today by Minister for Transport and Infrastructure Anthony Albanese, the report offers a frank assessment of the issues and challenges facing the nation's 18 major cities.

Of particular concern is the report's finding that the gap between population growth and housing supply is the largest it has been in more than a century.

"This shows that governments need to urgently respond by addressing the barriers to supply, such as the excessive taxation on the housing industry and unresponsive planning systems," said UDIA National President Julie Katz.

The report highlights the shortfall of infrastructure throughout Australia and the risks this poses to the nation's productivity.

"We have clearly underinvested in infrastructure in residential growth areas despite strong levels of population growth. The net result has been residents in new outlying communities being exposed to congestion while productivity in general has suffered," said Ms Katz.

"Even by conservative estimates, Australia's population is set to grow significantly over the coming decades. This will require new residential subdivisions to be supported by more infrastructure than is currently the case."

Ms Katz supported Minister Albanese's commitment to implement a mechanism for large-scale urban renewal in suburbs close to the city centres and transport hubs.

"UDIA has been calling for a national urban renewal effort similar to the previous *Building Better Cities* program, to kick start new housing in existing suburbs close to transport and jobs. I look forward to seeing more detail on the Minister's proposal."

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