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Building a more liveable Australia should be the Government's top priority says UDIA

Australia's national prosperity is dependent on our success in housing our communities and ensuring our cities are more liveable, that is why UDIA is calling on both sides of politics to make an urgent commitment to address the key issues impacting liveability in our cities, where 85% of Australians live.

"With the federal election now just one month away, we're strongly encouraging all politicians to talk about the solutions that Australia needs to address the liveability crisis we're facing. We need a holistic approach," says UDIA National President Darren Cooper.

"Australians are facing barriers to housing due to high purchase prices, high rents, a lack of housing close to their job, increasing congestion due to a lack of infrastructure and the negative impacts to the economy that will flow from reducing skilled migration.

"Our campaign, 'Building a Liveable Future for all Australians', puts forward our recommendations on how to achieve this liveability goal, and we're urging all sides of politics to make this important issue their top priority."

UDIA's three recommendations for the new government:

1. **Don't Kill the Market** - no changes to negative gearing and capital gains tax given the negative impact UDIA believes this will have on the market.

"With national dwelling values falling for the seventeenth consecutive month to March 2019, and falling 6.9% over the past year, the problem this proposed policy change was trying to fix no longer exists.

"Notably, any proposed changes to negative gearing will not apply to new dwellings. Thereafter, it becomes an established property, at which stage the original investor is unlikely to on-sell it to another investor as the property is 'established'.

"The original investor's only likely option will be to sell the 'established' property to an owner-occupier - but given that investors have historically comprised around a third of the market, this means the original investor will only have two-thirds of the market to sell their property to.

"Whichever party is in power after the next election must not punish investors with higher taxes. Price falls and uncertainty about taxes is driving investors out of the market, reducing the supply of housing and driving up rents, making our cities even less affordable," says Darren Cooper.

2. **Keep Australia open for Business** - ensure Australia remains able to grow through targeted skilled migration and settlement programs.

"To ensure Australia's prosperity continues to grow, UDIA is calling for a rethink on the 160,000 cap on migration, which is being proposed by both sides of politics. Australia has always relied on migration to boost its productivity, increase jobs and grow our nation. Skilled migrants contribute to GDP in many ways: they offset Australia's ageing population, improve labour force participation and productivity, and help businesses to source skills gaps at short notice," says Darren Cooper.

3. **Build a more connected Australia** - focus on targeted infrastructure projects to ensure services are delivered where housing is being developed.

"Congestion in our capital cities is not because of too many people, but a direct result of infrastructure lag. The Bureau of Infrastructure, Transport and Regional Economics estimated



Building a Liveable Future for all Australians



congestion is costing us \$16.5 billion, and this is forecast to rise to \$30 billion by 2030 if the infrastructure we require is not built.

“The Budget’s record \$100 billion over the next decade to deliver major infrastructure is of course welcome news, but we need to ensure that we’re not just building infrastructure where people live now, but also, where people will live tomorrow, and that includes enabling infrastructure.

“That’s why we’re advocating for an ‘Infrastructure Accord’ between the major political parties, to insulate the crucial intergenerational infrastructure decision making from bi-partisan politics,” says Darren Cooper.

All five of our major capital cities are listed in the top 20 least affordable cities in the world. UDIA says that without a focus on housing affordability, Australia will continue to slip in the liveability stakes – putting our lifestyle and financial security at risk.

“UDIA is advocating for a holistic solution to these housing and liveability challenges facing all Australians and urges the next government, regardless of which party is in power, to take a close look at our recommendations and leverage UDIA’s expertise for the benefit of our nation,” says Darren Cooper.

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