

LABOR'S NEXT STEP:

AFFORDABLE HOMES IN SYDNEY

Labor



What we believe

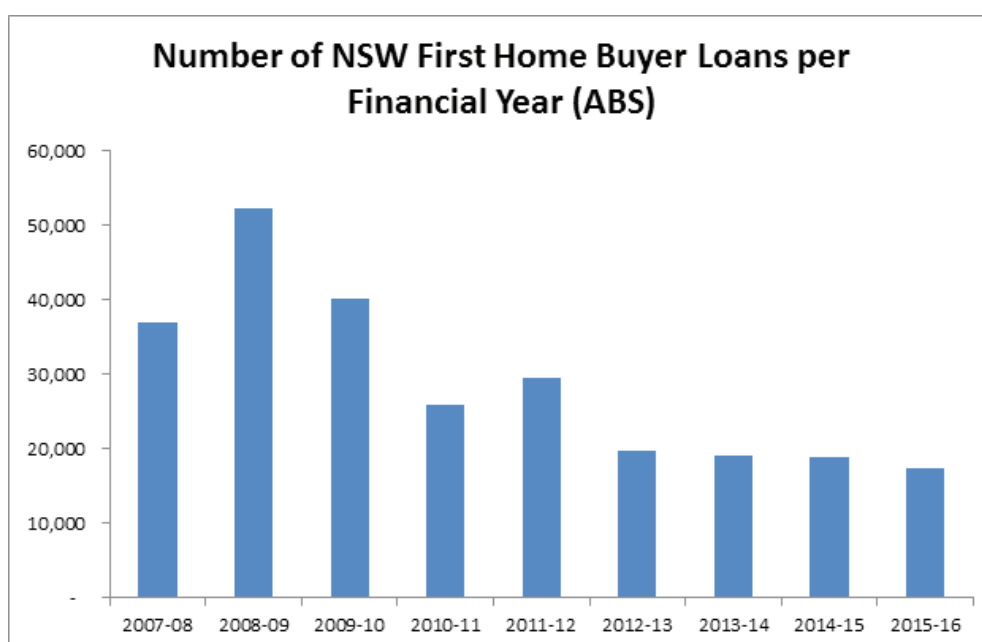
Labor believes that Sydney is in the depths of a housing affordability crisis, one that will see a generation of people unable to find homes near their friends, family and places of work.

It is a crisis that will see more people every year leave NSW in search of an affordable home .

Whilst the Liberal Government has been idle, the growth in housing prices has outpaced the incomes of many in Sydney.

Currently:

- The median house price in Sydney is over \$1 million²
- First Home Buyers are currently around 8% of total loans³
- Only 1% of rental properties are affordable to people on the minimum wage⁴
- 2016 saw the fourth consecutive year of double digit growth in Sydney house prices⁵
- Currently Sydney house prices are over 12 times the average annual income⁶





On the day Gladys Berejiklian became Premier, she said that housing affordability was the ‘biggest issue people have across the state’, and since that time the Liberal-National Government have been all talk and no action.

They believe that just increasing supply is the answer.

Gladys Berejiklian and the Liberals believe if you can’t buy or rent you should just keep moving further away – from friends, family and places of work.

Labor believes there is a better way.

That is why Labor is proposing action, a comprehensive plan to improve housing affordability and give people a chance to rent or own their own home right across Sydney.

Labor believes that there is more to improving housing affordability than simply increasing supply.

Already NSW Labor has announced plans to:

- **Support the reform of negative gearing to limit it to new housing and halve capital gains tax discounts⁶**
- **Increase the taxes on foreign investors in line with Victoria⁷**
- **Introduce a tax on properties that are vacant for longer than 6 months⁸**

But there is more to do.



What we will do

Labor has announced its next step in a comprehensive plan to tackle housing affordability to give people a chance of renting or buying a home closer to their communities and places of work.

Labor has announced that in Government it will:

1. Conduct a full audit of all publically-owned land and create the Affordable Housing Land Register (AHLR)

The NSW Government in its own right or through state-owned entities owns tracts of land in NSW.

A NSW Labor Government will conduct a full audit of this land to identify land holdings that could be developed for affordable housing. This land will be placed on a newly created Affordable Housing Land Register (AHLR).

Land on the register will be fast-tracked for development by the NSW Labor Government through a newly focused UrbanGrowth.

2. A 25% Affordable Housing Mandate on Government Owned Land

Land owned by the Government that is fast-tracked for development will have a 25% mandate of Affordable Housing.

The Liberal Berejiklian Government does not believe in utilising Government land for Affordable Housing. It simply sells it off to the highest bidder.

Labor will end the practice of selling Government-owned land to the highest bidder without obtaining maximum social utility.

3. A 15% Affordable Housing Mandate on privately developed land

Labor will introduce a mandate of 15% of new dwellings or floor space on privately developed land.

15% of dwellings designated as Affordable Housing will be available for rental or sale to low- to moderate-income households.



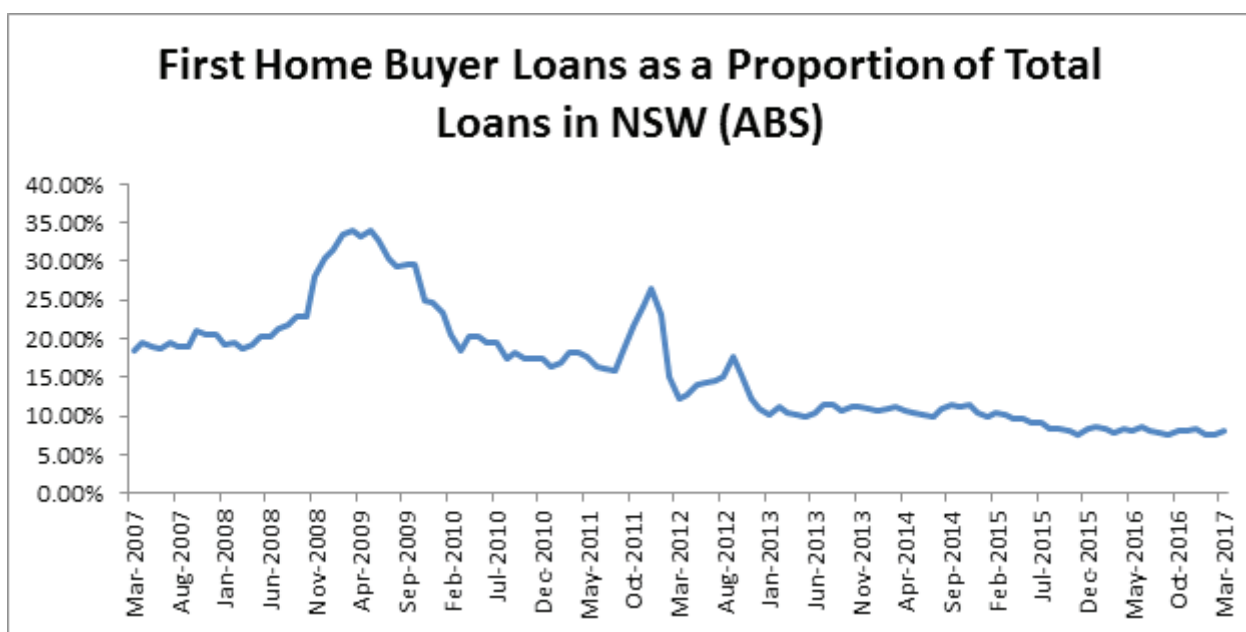
We will work closely with industry experts, including Community-Housing Providers (CHPs), to formulate the rules around this policy. And we will be mindful of the need to provide certainty to the private sector.

4. Refocus UrbanGrowth

UrbanGrowth will be refocused and given greater powers than ever before to drive the release of land identified in the Affordable Housing Land Register and bring it to market

as quickly as possible as Affordable Housing.

We will restore UrbanGrowth to its original purpose to provide fully serviced-land and housing products for first homebuyers and those seeking affordable rentals.





Conclusion

Our policy will ensure fairness and opportunity for a generation of people who have been left behind. This is not only unfair it is also bad long-term news for Sydney.

If we do not address housing affordability it will become more expensive and difficult for people to commute greater distances each day, talented young people will leave Sydney to go and live in other states and it will be impossible to attract workers and businesses to locate to Sydney.

In addition to this, key workers such as teachers, nurses, police and graduates are being forced further and further away. Our policy will give these people a chance to live closer to family, friends and places of work and provide for a fairer and much more diverse and efficient Sydney.

Our plan will actually produce thousands of real homes each and every year in perpetuity for people to live in at an affordable price.



SOURCES

1. The Department of Planning and Environment projects NSW Net Interstate Migration at -370,000 people.
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7. <http://www.smh.com.au/federal-politics/political-news/federal-and-nsw-labor-join-forces-in-assault-on-housing-affordability-20170127-gu0844.html>
8. <http://www.dailytelegraph.com.au/news/nsw/foreign-property-buyers-are-pricing-locals-out-of-the-market/news-story/00b094cfb7c0e83a71f2a-85f6866397a>
9. http://www.lukefoley.com.au/labor_s_next_step_in_housing_affordability_a_tax_to_free_up_vacant_properties



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