

REINSW SUPPORTS NSW GOVERNMENT'S SUPPLY FOCUS

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The Real Estate Institute of NSW (REINSW) has welcomed the NSW Government's focus on supply to address the critical shortage of housing for people across the state, including renters.

Premier Minns last week stated his new Government's energy would be focused on reforms needed to make the planning and approval system more efficient and increase the number of homes being built in the state.

He also ruled out rent freezes, noting the negative impact such anti-landlord regulations have on the supply of rental accommodation.

REINSW CEO Tim McKibbin said by focusing on the supply side, consumers finally have some hope that the housing crisis will begin to be brought under control.

"For the past 12 years, we've seen housing policy in NSW amount to populist announcements which focus on the symptoms of the problem and not the problem itself. Look where that has left us," Mr McKibbin says.

"The need to increase supply to keep up with increased demand was always apparent, and hopefully now we will see some action. For people looking to buy, the choices are slim, and we all recognise the challenges faced by renters at the moment.

"A renter standing in a queue of 50 people waiting to inspect a single property has a clear idea of what the problem is: a lack of choice.

"The REINSW welcomes the Government's ruling out of rent caps in an environment of higher interest rates. The evidence clearly shows that the consistent erosion of the rights of landlords deters investment and drives existing landlords out of the market.

"Banning 'no grounds' terminations and other anti-landlord moves have diminished the supply of rental property, meaning tenants have even fewer choices. With increased supply, any apparent 'need' for Parliamentary intervention into the further erosion of landlords' rights will evaporate.

"Imagine a scenario in which a tenant who owns a pet had the choice to rent a suitable, pet-friendly home," he says.

The Government has said its plan involves re-balancing Sydney's population growth back toward the east, increasing density around transport nodes, and removing development approval red tape.

In tackling the supply crisis, Mr McKibbin highlights absurd approval timelines as a major impediment in need of reform.

"The fact it can take a Council longer to approve a development than it takes to physically build the property highlights the absurdity of the planning system," Mr McKibbin says.

"Other State consent authorities can grant approval for projects in a reasonable timeframe and it's time for Councils to lift their game and do likewise. They must be made accountable to deliver the housing targets needed in their jurisdictions so that the people they are meant to be serving have roofs over their heads.

"Clear direction from the NSW Government that the status quo is no longer acceptable is an important first step to addressing the housing supply crisis."

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About REINSW

The Real Estate Institute of New South Wales (REINSW) is the peak industry body for real estate agents and property professionals in NSW. It represents more than 2000 agencies across residential sales, property management, commercial, strata management, buyers' agency, agency services and auctioneering. Established in 1910, REINSW works to improve the standards, professionalism and expertise of its members to continually evolve and innovate the industry. It lobbies the government and industry on behalf of members, develops new products and services to benefit agencies and professionals, and offers training and ongoing professional development. For more information, visit reinsw.com.au.