

Supply not House Size the Real Problem says HIA

Removing the obstacles to boosting Australia's housing supply is vital, but the size of the homes Australians are building is not a constraint says the Housing Industry Association (HIA), Australia's largest building industry organisation.

HIA Chief Executive, Association, Mr Graham Wolfe says that HIA has long warned of the urgency that is required in tackling land supply constraints, planning delays, an equitable infrastructure funding model, and a structural shortage of skilled labour, to name but a few obstacles standing in the way of a sustainable boost to Australia's housing supply.

"Getting the mix of housing right is of course crucial, but market forces determine the size of dwellings and it is not a constraint to boosting our housing stock. The average size of detached houses built in Australia stopped increasing some time ago and indeed has trended down slightly in recent years, and roughly 30 per cent of what we build is smaller, non-detached housing.

"The one issue we face with home size is planning requirements in some jurisdictions that force builders to construct larger size units than the public actually wants. That issue is symptomatic of the major problem at hand, unnecessary supply side obstacles preventing efficient new home construction.

"We welcome the heightened focus these supply side obstacles are receiving in the public discourse. One of the fundamental challenges this nation faces is ensuring affordable shelter can be constructed for our rapidly growing population," said Mr Wolfe.

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