

29 October 2012

Media Release

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New housing policy changes a start but more is needed

EDS has welcomed the government's announcement of changes to housing policy and says that the package reflects the fact there is no silver bullet for housing affordability. But the Society says more radical changes are needed and housing availability is an even bigger problem than housing affordability, especially in Auckland.

"It's pleasing to see that the Government has signalled a close alignment with Auckland Council over these issues. Previously the two seemed at loggerheads with Government focused on land supply as the key issue. This announcement is a much more nuanced one that acknowledges the complexity of the issues," said EDS Chairman Gary Taylor, a former Director of the Hobsonville Land Company.

"The Government's announcement is especially relevant for Auckland. The Auckland Plan estimates that Auckland will need 13,000 new dwellings per year every year for at least the next 30 years. Yet only 3,000 dwellings are being built at present. That's a massive gap to fill – an extra 10,000 dwellings or 3-4 times the size of the Hobsonville Point Development every year.

"Given the small scale of our building market and the competing demands from Christchurch, that's an impossible task under the present arrangements. We need a radical new approach or prices will get right of control as the demand outstrips supply. Even rental housing will get more expensive and unavailable.

"I'm pleased to see that the Government has in fact acknowledged the potential of a bigger role for the public sector. Now Auckland Council and the Government need to step in and create more special purpose Housing Development Authorities that can partner with the private sector and develop both greenfields and brownfields housing at scale. That's the only way we can build enough dwellings fast enough to keep up with population growth.

"The Hobsonville development shows how it can be done. That's a partnership between Housing New Zealand, AV Jennings (a large Australian builder) and Auckland Council. It required some seed funding from government but is now paying its way. It's a green development, underpinned by strong sustainability principles, and is what the future should look like.

"It's pleasing to see that the package does not propose any overt lowering of environmental standards," Mr Taylor concluded.

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