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## Top Property CEOs Surveyed on Eve of NSW Election

The Urban Development Institute of Australia NSW (UDIA NSW) today released the results of a survey of some of the country's top property and housing companies on the eve of the NSW Election. The survey included Stockland, Meriton, Australand, Clarendon and AV Jennings and covers the views of the CEOs on their investment intentions in the near future in NSW, and what they believe should be the priorities of the next NSW Government.

UDIA NSW Chief Executive Stephen Albin said that, "the results of our CEO survey present a clear message to the next Government in NSW – Labor or Liberal - there is a lot of work to be done to restore investor confidence and to address chronic problems with the planning system and housing affordability."

1. On the question of which state or territory the respective companies would most prefer to invest in under current planning and regulatory systems, the majority of CEOs nominated Victoria.

Stephen Albin said, "in the last two years alone, Victoria has delivered more than 50,000 more homes than NSW. It's no surprise that it continues to attract investment and NSW will have to work hard to restore the kind of investment certainty that Victoria provides for the industry."

2. In terms of the current challenges faced by the housing and development industry, when asked to nominate the top three priorities for an incoming Government, the most common responses were:
  - Processing DA approvals
  - Infrastructure investment
  - Planning reform

Stephen Albin said, "from day one of a new Government, these are the key challenges to getting housing in this state moving. Fixing the planning system and delivering on infrastructure must be of the highest priority for the new Government if it is serious about delivering 40,000 homes a year in NSW"

3. In terms of the initiatives that these companies would be looking for from a new State Government to demonstrate NSW was open for business, the CEOs nominated reform to infrastructure levies and improvements to land supply as the principal indicators. The CEOs overwhelmingly indicated that if the planning and development system in NSW remained unchanged, they would be less likely to investment in NSW over the next four years.

Stephen Albin said, "investors are looking to re-enter NSW, but they want to know that the next Government is serious about addressing the challenges. The message is clear, fix the planning system, reduce Government taxes and charges, and sort out land supply, or investment capital will continue to flow to other states"

4. Much debate has been had in Sydney over the last couple of weeks as to whether the current Government's policy of a 70/30 infill/greenfield split for future housing is appropriate and achievable. Asked whether they agreed this goal was achievable under the current planning and regulatory framework, all of the respondents nominated, 'Somewhat disagree' or 'Strongly Disagree'. However most indicated that they believed infill development would need to feature heavily in meeting the State's housing needs.

Stephen Albin said, “our message to the next Government is that we need more housing on the fringe and more housing in infill areas and the focus of Government should be on removing market barriers on all fronts. To focus on infill over greenfield or vice versa without fixing the planning system as a whole will not deliver the kind of housing outcomes we need in NSW.”

5. Asked to identify the key risks and/or constraints to the recovery of the new housing market in NSW in the next ten years, the CEOs nominated:
- Affordability
  - Planning controls
  - Infrastructure investment

Stephen Albin said, “the survey shows that the challenges facing NSW now, like affordability and infrastructure investment, if not addressed soon, will be major impediments to providing housing and employment over the longer term.”

6. The CEOs ranked the NSW performance on a number of key indicators as follows:

*Ease of doing business:* Very poor or poor.

*Efficiency and timeliness of government approval processes:* Very poor

*Public infrastructure investment:* Very poor or poor.

*Development levies:* Very poor

*Government attitude towards investment:* Mixed response.

UDIA NSW Chief Executive Stephen Albin said, “on every metric, the performance of NSW against other markets is poor. This shows unequivocally that right across the board there is need for reform and fundamental change in the way we have been managing growth in NSW.”

Stephen Albin said that the Institute’s messages to the future Government are clear, “NSW needs to build 40,000 new homes each year if it’s going to meet the housing demands of the future. We need more homes for NSW, we need to make homes affordable, and we need a Government to deliver on infrastructure to support growth.”

The companies surveyed were:

Stockland

Meriton

Australand

Clarendon

AV Jennings

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