Media Release

Australia: world’s worst housing affordability
Failed planning systems and undersupply crippling housing market

Australia continues to be severely unaffordable when it comes to buying a house, according to the 6th Annual Demographia International Housing Affordability Survey: 2010.

House prices in Australia have continued to skyrocket - even in the face of the global financial crisis - with the latest survey revealing Australia has the worst housing affordability in the survey’s history.

“The latest Demographia survey proves the fundamental problem of housing affordability around Australia is only getting worse,” said Residential Development Council (RDC) executive director Caryn Kakas.

“272 metropolitan markets around the world were studied in this survey, and Australian cities dominate six of the top 10 spots on the ‘Severely Unaffordable Housing Markets’ list.

“Both the failures of planning systems across the states and the chronic shortage of housing supply are both to be blamed for Australia rating so highly on the ‘severely unaffordable’ list.

“Last week’s release of the RDC’s ‘Report Card’ revealed Australia underperforms in the delivery of planning and development assessment systems, and identified opportunities for all states to cut red tape and effectively deliver housing and key infrastructure around the country.

“With housing demand outstripping supply, Australia is crying out for strategic land supply programs linked to adequate infrastructure: state and metropolitan planning must focus on securing addition supply within cities and the surrounding suburban areas.

“The global financial crisis hit many Australian families hard. During such a time when housing affordability should theoretically have improved, around Australia it only deteriorated.

“Being the most unaffordable market around the world is one gong we don’t want to receive.”

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