

# media release



**MASTERS OF OUR INDUSTRY**

Master Builders Association of Victoria  
ABN: 38 004 255 654

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## **Building must keep-pace as Melbourne passes 4 million**

The Master Builders Association of Victoria is concerned that the supply of housing is not keeping pace with population growth, as Australian Bureau of Statistics (ABS) figures show Melbourne's population has passed four million.

The latest ABS population figures released yesterday show Victoria's population jumped 112,000 in the year to March.

Master Builders Deputy Executive Director, Radley de Silva, said a growing population requires housing and social infrastructure investment to keep pace.

"According to BIS Schrapnel\*, Victoria has a housing shortfall of around 30,000 dwellings. Meanwhile, Victoria is currently under-building by 5,000 dwellings per year," said Mr de Silva.

"The undersupply of dwellings puts pressure on the rental market and can cause problems such as social dislocation and homelessness.

"Local government planning delays, inadequate land supply and accessing credit to finance new building projects are key challenges moving forward.

"Victorian builders face average 18 week delays and added costs of \$19,500 due to local planning delays.

"Land supply should also be increased but only if transport and social infrastructure comes with it. There's no point in building suburbs if people can't easily get to work or see a doctor nearby.

"Meanwhile, the fallout of the Global Financial Crisis has made it difficult for builders to secure finances for new building projects. Lenders need to allow builders to borrow funds in order to satisfy Victoria's demand for housing."

\*Building in Australia 2009- 2024, Outlook for Dwelling Commencements, Table 5.1: Underlying demand and stock deficiency, by state, BIS Shrapnel, 2009, P122

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**Further information:** Radley de Silva, Deputy Executive Director, 0402 044 074

**Media enquiries:** Greg Haraldson, Media Adviser, 0438 427 766 [ggharaldson@mbav.com.au](mailto:ggharaldson@mbav.com.au)