

media release



MASTERS OF OUR INDUSTRY

Master Builders Association of Victoria
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Master Builders expect housing affordability to deteriorate over next three years

The latest Master Builders Association of Victoria *Building Trends* eSurvey has revealed that 69 per cent of residential builders expect housing affordability to deteriorate over the next three years.

Responses to the first of the quarterly surveys have shown that residential builders are critical of the short supply of land and time consuming planning delays.

None of the builders surveyed said they believed that housing affordability would improve.

A further 36 per cent said the rate of supply of available land for development purposes was bad or very bad.

A quarter of the builders who responded said the biggest impediment to affordability was the cost of land. A further 22 per cent said the largest impediment to affordability was planning.

“Our members are clearly expressing their frustration about housing affordability,” Association Executive Director Brian Welch said.

“Our survey results show that they do not believe the planning and land supply issues will improve unless some drastic measures are taken.

“Victoria has an undersupply of 29,000 homes and we’re currently building 5,000 too few homes per year to meet that demand. Melbourne’s population has passed the 4 million mark and is expected to almost double in the next 16 years.

“If stringent planning restrictions on the allowances of inner-city and suburban medium to high density housing remain in place combined with a failure to supply land for development in outer Melbourne then pretty soon, nobody will be able to afford their own home.”

Master Builders *Building Trends* eSurvey is done quarterly to gauge the business activity, financial situation and outlook for Victoria’s builders.

FAST FACTS

- 36 per cent of builders surveyed said the level of developable land was bad to very bad.
- Only 3 per cent said the level of developable land was good.
- 69 per cent said housing affordability will deteriorate over the next three years.
- None said that housing affordability will improve over the next three years.
- 25 per cent said the biggest impediment to housing affordability was the cost of land.
- 22 per cent said the biggest impediment to housing affordability was planning delays.

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