

It's cheaper to live in New York

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Housing in the Illawarra is less affordable than housing in New York, according to a recent global study prompting local experts to call for changes from the ground up.

The Demographia study found the ratio of median household income to median house price is 8.3 in the Illawarra, meaning it is less affordable than New York which has a ratio of 5.9. Housing is defined as affordable when it is 30 per cent of household income.

“The primary driver of sky rocketing house prices is a lack of adequate and affordable supply of land and new housing stock to meet demand,” said Property Council regional manager Jancey Malins.

“When the price of land is at an all time high, it is very difficult to provide public or private housing for affordable rental accommodation,” she said.



Struggle street: Anna Sventek and her 16-year-old daughter have been couch-surfing since their Shellharbour lease came to an end in December.

It is almost impossible for first home buyers to purchase a free-standing house close to metropolitan areas, and it means that people wanting to downsize are holding on to larger homes as smaller, newer dwellings are out of reach.

“We need the planning system to support the turbo-charge release of new housing in both greenfield and in-fill developments.”

The Property Council says Increasing the urban density of housing supply across the Illawarra is crucial. That means changes to floor space ratios, height limits and zoning to allow greater densities around urban centres, particularly along the northern corridor.

“The Illawarra Regional Plan states that the region needs 35,400 new homes over the next 20 years,” Ms Mallins said.

“We believe that this is a very conservative estimate, however given the current impediments to development we are not likely to even hit this target without some significant change of the status quo.

“As a community we also need to look at innovative solutions to addressing affordable housing needs,” Ms Mallins said.

“Local Government need to play a key role here by unlocking under utilized land holdings and partnering with the private sector.”

Ms Mallins pointed to examples across Australia that have turned car parks into housing projects that deliver a mix of private, affordable and social housing.

“The response needs to be multi-faceted with action from entire community – including local and state government, developers, community housing providers and a change in community perceptions about medium and higher density housing.”

Low-income families are struggling to find affordable living space in the Illawarra, with suitable rentals down to one percent, compared to three per cent last year. An Anglicare Rental Affordability Snapshot found zero were suitable for singles on Newstart Allowance.