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Labor's 1.2 Million Homes Target Under Scrutiny After Treasury Leak

July 15, 2025

— Categories: Real Estate



A bureaucratic blunder has revealed Treasury's damning assessment that Labor's flagship pledge to build 1.2 million homes by 2029 will fail, exposing the government's housing policy as more aspirational than achievable. The accidentally leaked documents, obtained by the ABC, confirm what industry experts have warned for months – Australia's construction sector can't deliver 240,000 annual homes when just 168,050 commenced in 2024. This admission comes as the Housing Accord marks its first anniversary with more fanfare than foundation.

The leaked brief highlights systemic obstacles including sluggish planning approvals, skilled labor shortages, and counterproductive tax policies. While Treasurer Jim Chalmers insists the government is “investing tens of billions,” REA Group economist Anne Flaherty notes states’ approval timelines vary wildly, creating bottlenecks. The Property Council’s Mike Zorbas concedes the target has spurred some state-level reforms, but warns progress remains dangerously behind schedule. With construction costs still elevated and developers facing financing hurdles, the private sector lacks capacity to bridge the gap.

Industry leaders propose practical solutions: fast-tracking approvals, expanding skilled migration for trades, and reducing construction taxes. Flaherty emphasizes even partial progress toward the target would outpace previous efforts, but warns against relying solely on government spending. “The fundamental issue,” she notes, “is making the system work efficiently rather than throwing money at dysfunction.” Market-focused reforms like Chalmers’ build-to-rent tax changes show promise, but require acceleration and expansion to move the needle.



This leak exposes the harsh reality behind Labor’s housing rhetoric. While ambitious targets make headlines, Australia needs less central planning and more deregulation to unleash private sector solutions. The path forward lies in cutting red tape, incentivizing trades training, and removing barriers to investment – not another round of bureaucratic promises. As Treasury’s unintended revelation shows, true housing solutions require honesty about what’s broken before claiming what’s possible. The government can either double down on failed approaches or embrace market-driven reforms that actually get homes built. Australians waiting for relief deserve the latter.