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HIA Urges Canberra to Tackle Housing Crisis Head-On

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The Housing Industry Association (HIA) has called on Treasurer Jim Chalmers to make housing a central focus at the upcoming Economic Reform Roundtable, warning that Australia’s ongoing housing shortage is worsening and requires urgent federal intervention.

HIA Managing Director Jocelyn Martin stated that without immediate action to increase homebuilding, improve productivity, and stimulate private investment, the housing crisis will continue to escalate. “You cannot talk about productivity, economic growth, or living standards without discussing housing,” Martin said.

In its submission to the Treasury, the association outlined key supply barriers chief among them being burdensome regulation and significant taxation. According to HIA, red tape and planning delays are significantly inflating the cost of new builds. In Sydney, taxes and charges on a typical house and land package can exceed \$500,000, which are ultimately passed on to buyers and embedded in long-term mortgages.

“We’re calling on all levels of government to stop treating new housing like a luxury item,” said Martin. “Other than alcohol and cigarettes, no sector is taxed more heavily than housing.”

The HIA’s policy recommendations include streamlining planning approvals, reducing regulatory duplication, revising the National Construction Code, and removing roadblocks to innovative construction methods such as prefabrication. The organisation is also calling for increased investment in training programs to address the industry’s persistent skill shortages.

The urgency is underscored by data from the Property Council, which reports that Australia is falling short of the 1.2 million new homes target under the National Housing Accord. Although housing starts rose 14% to 47,645 in a recent quarter, this figure remains well below the 60,000 quarterly starts needed to stay on track.

Martin stressed that both major political parties have acknowledged the challenges facing home construction in Australia. “The treasurer now has the opportunity to turn that awareness into decisive policy reform,” she said.

With new housing approvals slowing and construction activity failing to meet population growth, the HIA is urging federal leadership to remove the roadblocks hampering the industry’s ability to deliver new supply.