

# MEDIA RELEASE

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## **VICTORIAN GOVERNMENT RESTRICTIONS ON LAND SUPPLY ARE LOCKING FAMILIES AND YOUNG BUYERS OUT OF THE MARKET**

The Victorian Government's land restraint policies add \$50,000 to the cost of land for a new house, according to ***Locked Out: How Victoria's land supply laws are keeping young people out of the housing market***, released today by free-market think tank the Institute of Public Affairs.

Taxes and charges amplify this to more than \$100,000 added to the cost of a new home. "There is clear evidence that poorer people are suffering disproportionately from these higher prices" the report said.

One of the authors of the report, Louise Staley said, "The great Australian dream remains owning a house, preferably detached. But now more people than ever are unable to buy at all, and remain in the rental market."

Government can fix the housing crisis by:

- abolishing the urban growth boundary and allowing the release of significantly more land on the periphery for housing,
- facilitating in-fill development by giving greater discretion to planning panels rather than councils,
- reducing exorbitant taxes and charges, particularly levies for services which have traditionally been provided by the State out of general revenue, and
- removing excessive environmental and other regulatory imposts such as energy Star ratings and new occupational health and safety laws.

Co-author of the report Dr Alan Moran said, "Even a reduction of \$50,000 in the price of a new home for a person on average weekly earnings translates into a \$6,000 a year real income increase. This is a greater bonus to a greater number of people than any government measure could feasibly deliver."

Eliminating restrictions that artificially raise the cost of buying a new home would reduce rental and house prices without the need for an expensive taxpayer-funded incentive plan.

[For further information and comment:](#)

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***Locked Out: How Victoria's land supply laws are keeping young people out of the housing market*** is available at [www.ipa.org.au](http://www.ipa.org.au).