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Net Overseas Migration – housing infrastructure = FY2025 Cost of Living Catastrophe

Australia's peak voice for the civil construction industry, the Civil Contractors Federation (CCF), has called on a national rethink of housing infrastructure policy in the wake of new Net Overseas Migration numbers coupled record declines in housing activity.

"The release of the latest population numbers present a shocking reality that the nation simply is busting at the seams with not enough housing and the infrastructure that precedes it to cope with what is shaping up to be a Cost of Living Catastrophe for many in FY2025," said Nicholas Proud, Chief Executive Officer, Civil Contractors Federation National.

"The latest Sept 2023 ABS numbers show a Net Overseas Migration number of 548,800 which when overlaid with a housing completions number of around 172,000 new homes for the period only places upward pressure on those finding a house to rent or buy which equates to further costs for a roof over the head.

"There is a clear freefall in the rate of housing activity, which comes at the worst possible time on the back of Net Overseas Migration rising to rates not seen since post World War 2.

"With new home builds having record declines from 220,000 home starts in the 12 months to September 2017 to drop back to 170,000 completions for the same period this year and further declines in approvals and commencements on the way, a reprioritizing of housing infrastructure, not the key in the door and ribbon cut.

"In simplest terms not one dollar in housing can be spent until a dollar has been spent in civil and we are just not getting our head around this as a country.

"With Federal Budget NOM forecasts revised up from May 2022 (180,000), October 2022 (235,000), May 2023 (400,000) and 548,000, today there is a compounding unexpected forecast that can only add more pressure on the Australian housing market and the infrastructure required. Coupled with a downgrading of the FY2024 and FY2025 dwelling investment there will be less than enough housing coming through exacerbated a mixture of planning red tape, infrastructure delivery procurement timeframes, and skills gaps associated with construction particularly civil.

"It's the water, sewerage electrical and utilities infrastructure it's what sits in the ground as well as the more visible roads prior to any chippie turns up on site that needs the rethink.

"When there is non-prioritization and lack of skills funding for civil occupations as it is nationally today, its no wonder subdivision, water, sewerage, roads, energy transformation and essential infrastructure is compounding the lack of housing underway.

"The future forecast of 1.2 million homes over the next five years to 2029 seems dead in the water under the current settings, but it doesn't have to be this way.

For further information: Nicholas Proud, CEO Civil Contractors Federation Australia, 0408 538 126

The Civil Contractors Federation is the peak national representative body for the Australian civil construction industry comprising over 1,900 civil construction companies across the construction supply chain.