

WA's housing shortfall is worsening. Could 'Lego'-style homes speed things up?



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March 27, 2024 – 2.00am

New Property Council modelling predicts Western Australia's housing deficit to grow by nearly 25,000 homes by the end of 2027.

The modelling was released on Wednesday along with 40 policy recommendations as part of the lobby group's state election platform.



The shortfall of homes in WA is tipped to grow even wider over the next two years. ROSS SWANBOROUGH

Property Council of WA interim executive director Emily Young said the state Treasury estimated an additional 239,000 people would call WA home between 2024 and 2027, which meant about 92,000 more homes would need to be built.

However, when applying the existing market capacity, modelling showed a maximum of 67,000 new homes could be built in that timeframe.

“To give us a fighting chance to house every West Australian, we specifically need to turbocharge the construction of new apartments, build-to-rent projects and dedicated student housing,” she said.

“Suspending land taxes on projects under construction, expanding Keystart eligibility and underwriting apartment presales are policies that could be introduced today to immediately get more homes built quicker.”

WA’s population grew 3.3 per cent to 2.9 million in the year to September 2023, [according to recently released Australian Bureau of Statistics data](#).

This equated to 93,591 people, or around 37,000 households moving to WA over the 12-month period.

REIWA chief executive Cath Hart said demand for housing would continue to outstrip supply in WA as the state grappled with the highest rate of annual population growth since 2009.

The state government revised its population growth forecast at the end of last year to 2.4 per cent for 2023-24, up from the 1.7 per cent announced at budget time.

Hart said that would maintain pressure on the building industry.

“In the year to September 2023 there were nearly 17,000 completions of private and public dwellings, now compare that to the 37,000 new households in WA in the same timeframe,” she said.

“That’s a shortfall of about 20,000 new homes.”

Limnios Property Group managing director James Limnios said rising property values meant Perth property owners had greater equity in their homes, which the state government should harness by encouraging more local mum-and-dad investors to purchase off-the-plan, high-density homes such as apartments close to the city where there were high levels of existing infrastructure.

“The underutilised Urban Connect Plus Keystart loan, which gives first home buyers the funds to pay for a deposit for off-the-plan apartments, could be extended to mum-and-dad investors,” he said.

Limnios said small property developers who met strict criteria should have access to low-interest rate government loans to help them start small-scale infill projects in inner-city areas.

“The government could further assist this process by dividing up big development sites they have created in suburbs such as Shenton and East Perth that are hamstrung because of the lack of big builders in WA,” he said.

“Many small property developers who have a strong track record in developing quality boutique infill developments are now being locked out of market by highly restrictive lending rules by banks that is making the housing crisis in Perth even worse.”

Meanwhile, a Perth construction company claimed it had a solution to the ongoing housing crisis with a product that could be finished in half the time it took to build a new home.

Canning Vale-based NXT TEC upended traditional construction methods by using precast building technology to complete homes in around two months, with lock-up achieved in four days.

Chairwoman Natasha Di Ciano said the finished home, which included internal painting, window treatments, flooring and skirting, landscaping and reticulation, high-raked ceilings and 7-plus star NatHERS energy rating, was built four times faster than traditional construction.

Di Ciano said precision manufacturing was done offsite with pre-built concrete and steel components assembled onsite, similar to Lego.

She said the precast method was used in the construction of commercial buildings, but wasn't cost-effective for the residential sector until now.

“This innovative approach allows for simultaneous manufacturing of multiple houses, driving down per-unit costs,” she said.



This Ellenbrook home was completed quickly using prefab technology. CHARLIE OCTAVIA

“In addition, completing construction in a shorter time frame results in significant savings compared to a project stretched out over a longer period.”

The company claimed it could manufacture up to three houses a day.

It has been involved in Treeby Park Estate in Anketell, Woodbridge Project, a residential complex of eleven adjoining units for Indigenous elders facing housing risk, the 10-storey Wyndham Lux Perth hotel in Rivervale, and luxury home builds in Landsdale, Victoria Park and Rockingham Beach.

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