

The call for action ("Baird told affordable housing target too low", November 22) to have at

least 15 per cent of new housing in Sydney as affordable is surprisingly supported by the development industry. There is a difference, however. The group calling for 15 per cent see it as a levy on the remaining 85 per cent of new homes, which must go up in price to subsidise the affordable homes.

The Urban Taskforce, representing the development industry, has proposed a more robust figure of 20 per cent based on the government's own Affordable Rental Housing SEPP, which supports an uplift in floor space to provide affordable rental housing for a 10-year period. This could provide 40,000 new affordable homes over 10 years. The only way to get large numbers of affordable homes is for it to be feasible for developers to do this. Another excessive levy will only slow down new housing development as it will not be economically viable.

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