



This evidence is provided in response to comments made by Peter Tulip on page 22 of the uncorrected transcript of the hearing on Friday, June 7, 2024, during the Upper House Inquiry into the Transport Oriented Development (TOD) Program.

Peter Tulip's Comments:

Peter Tulip stated: “: *If you talk to experts from New Zealand, the overwhelming consensus of New Zealand economists and New Zealand planners, from all different parties, is that what is happening in Auckland is a huge increase in construction and very large reductions in housing costs. Those bloggers that you referred to before, their views have been seriously challenged, to which they haven't responded. Serious errors in their analysis have been pointed out by numbers of economists and they are not defending their original objections. I don't think weight should be placed on that blog.*”

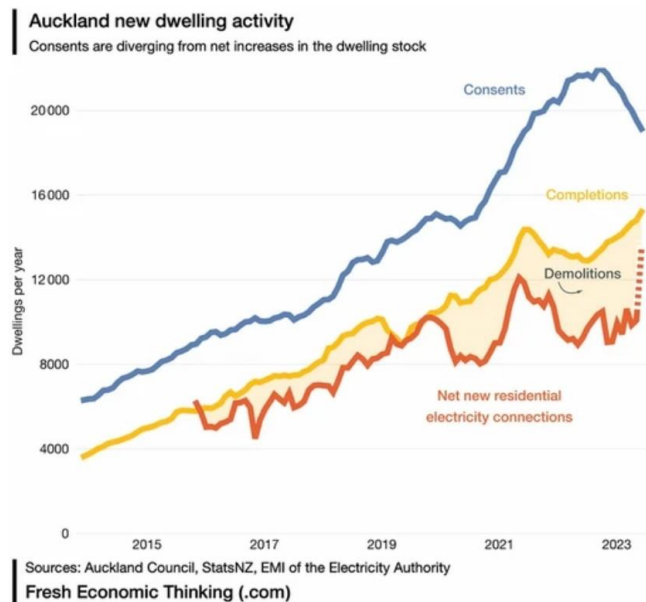
Response from the Save Greater Sydney Coalition:

The Save Greater Sydney Coalition would like to address Peter Tulip's remarks by referencing The Vancouver Sun's 5th October article by Douglas Todd: [Famous New Zealand study may not actually show mass upzoning works. Other scholars have concluded any increase in housing builds was minimal and probably a normal part of a cyclical business.](#)

Note: Canada's experience with increasing density through blanket upzonings in Vancouver and Toronto offers insights into their likely effectiveness in NSW.

- The debate over how to combat skyrocketing housing prices in gateway cities is "perverting" traditional ideas about what it means to be left or right, say scholars.
- [Research](#) by University of Auckland economists Ryan Greenaway-McGrevy and Peter C B Phillips purporting to show that blanket property upzoning in Auckland, New Zealand led to a dramatic increase in new housing units has drawn remarkable attention across the English-speaking world.

- The debate over the Auckland research, which is highly relevant to Vancouver, Toronto, Victoria and other unaffordable cities, spotlights hot discussions in Canada about the power of zoning laws, the yes-in-my-backyard (YIMBY) movement, developers' windfall profits and reworked understandings of what it means to be progressive.
- These issues are of great importance in Canada, and especially B.C., where both conservative and liberal politicians are championing blanket upzoning and magnifying rhetoric about how doing so will create "abundant" housing and counter "exclusionary" zoning. Many politicians call on us to have faith that giving developers and landowners extraordinary property bonuses will resolve unaffordability. Vancouver councillors, for instance, controversially voted last month to upzone most of the city to allow up to six units each on a lot, with no new parking. B.C. Premier David Eby, echoing New Zealand's model, has announced a province-wide overhaul of municipal zoning rules that will allow three to four units on a traditional lot. U.S. President Joe Biden has spent \$5 billion to encourage cities to rezone single-family neighbourhoods.
- The toughest critique of Greenaway-McGrevy's studies — which said Auckland ended up with about 21,000 more housing approvals or 4% more housing units over a five-year period after New Zealand passed countrywide upzoning in 2016 — is from Australian scholars Cameron Murray and Tim Helm, which they spell out in a series titled [The Auckland Myth](#).
- Their analysis maintains Greenaway-McGrevy's study of Auckland experiment doesn't prove upzoning increased net housing supply. Importantly, it doesn't even suggest upzoning lowers prices. Rather handing blanket upzoning to developers, by allowing them to build higher towers or squeeze more units onto a lot, hands existing owners startling new property rights and profit, which raises prices.
- In addition to pointing to methodological problems in the Auckland study, the scholars say the modest increase it found in housing activity can largely be attributed to normal "boom and bust" building cycles.
- Significantly, they say, Auckland's upzoning mostly led to the city giving mere "consent" to more houses. But when demolitions were taken into account, significant net new housing units didn't necessarily materialise.



The mass upzoning of Auckland led to the city giving mere “consent” to more houses. When demolitions are taken into account, net new housing units didn’t follow. (Source: Cameron Murray.)

- The same kind of thing has been happening in Vancouver, where the city’s conspicuous efforts in recent years to increase density, especially of rental units, have led to councillors boasting about how it’s inspired many new approvals. **But the approvals are often not turning into the construction of new homes.**
- As Murray and many others say, **developers build more housing only when they can make a profit. Along with other housing analysts, they say much of the upward pressure on housing prices and rents in Canada has come from previously low interest rates and the demand created by record levels of in-migration.**
- The housing crisis has also “perverted” old definitions of right and left, argue Murray and Josh Gordon, of McMaster University, in a [new paper](#). In the past, they say, left-wingers opposed mass privatisation, or handing significant property rights to developers without compensation.
- **But the YIMBY movement, which generally considers itself progressive, often ends up serving the interests of major developers who push for more lot density and sometimes virtually free “airspace rights” in the form of extra storeys on their highrises.**

- The peer-reviewed article by Murray and Gordon notes YIMBYs frequently argue that traditional zoning rules are exclusionary or systemically racist, since they kept low-income Americans of colour out of well-off single-family neighbourhoods. There is not a strong case for such claims in cities like Metro Vancouver, however, since pricey neighbourhoods (such as the west side of Vancouver, West Vancouver and Richmond) often have high proportions of immigrants and people of colour.
- In appealing for more analysis and less rhetoric on upzoning, Murray et al call for advocates of higher density around the world to stop “cherry-picking” studies just because they like their market-based conclusions.
- To wide agreement across the spectrum, the scholars also maintain that, if politicians are going to upzone, they have to make more effective use of their bylaw-making powers to demand public benefits from the developers who make more money from it. Those public goods could come in many forms, including child-care centres, more attractive buildings, enhanced green spaces or subsidised affordable housing.