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Media release

83 Australian organisations make open letter appeal to PM for investment in social housing

More than 80 Australian organisations today made a public appeal for urgent investment in social housing.

In the shadow of this year's Mid-Year Economic and Fiscal Outlook (MYEFO) statement and growing pressure on the Federal Government to use fiscal levers to support the economy, the community, housing and homelessness groups are calling for a big investment in social housing construction.

In an open letter to the Prime Minister ahead of this year's MYEFO the homelessness and housing peaks and organisations urged investment in social housing as a way of stemming the spiralling national homelessness rate and kickstarting Australian incomes and construction-related jobs.

Key facts

- **The Reserve Bank has called for more public investment in infrastructure**
- **Every dollar invested in social housing is estimated to boost GDP by \$1.30ⁱ**
- **Australia has a current shortage of 400,000 social housing propertiesⁱⁱ**
- **More than 116,000 Australians are homeless**

In the letter sent to Mr Morrison the organisations said:

“Social housing investment would deliver a bigger boost to growth in GDP per dollar spent by government than would either tax cuts or other transfers to households.

“It can be implemented more quickly than major road or rail infrastructure projects; and it brings longer-term economic benefits through improvements in workforce participation and productivity, as more people with below-average wages can live closer to suitable jobs.

“Most importantly, providing social housing will stem the alarming growth of homelessness occurring across the nation; providing the stability for children's health and wellbeing and improving people's mental health and capacity to find employment, to recover from family and domestic violence, and to improve their health in the face of chronic illness. This in turn reduces the cost to health and community services.”



Signatories to the letter include ACOSS, Homelessness Australia, National Shelter, CHIA, the Constellation Project, and many of Australia's biggest charitable organisations,

ACOSS CEO Cassandra Goldie said modelling shows that every dollar invested in social housing would boost GDP by \$1.30.

"Investment in social housing infrastructure would strengthen income and jobs growth now and lay the foundations for better economic and social outcomes in the future," Ms Goldie said

"Social housing is essential national infrastructure that supports our community and economy, with significant multiplier and productivity benefits. Unlike other public infrastructure with a long lead time, social housing can be delivered rapidly. "Building social housing would create construction related jobs that are desperately needed at a time when dwelling commencements for all properties has consistently declined and the economy appears to have stalled.

"Investing in social housing as infrastructure makes absolute sense from both an economic perspective and as social policy."

Everybody's Home alliance spokesperson Kate Colvin said underinvestment in social housing by successive state and federal governments over the past 20 year has left Australia with a shortage of 433,000 social housing properties for people struggling in the lowest 20% of household incomes.

"The biggest single cause of homelessness is lack of social housing that is affordable for our lowest income households," Ms Colvin said.

"The government has announced some good initiatives, including the National Housing Finance and Investment Corporation and the recent domestic violence package.

"We need to build on that with urgent investment in social housing as part of a wider strategy to make housing affordable for people on low incomes that also includes increasing rent assistance.

"Homelessness and rental stress in Australia are on an ever upward trajectory. We need immediate intervention at a national level so that we can reverse this trend. Increasing levels of homelessness and unaffordable housing is an unacceptable legacy to leave our children."

Read the full open letter: <https://everybodyshome.com.au/open-letter>

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i ACOSS Briefing Note (2019) How to reduce homelessness and boost income and jobs: Social housing as infrastructures:

<https://www.acoss.org.au/wp-content/uploads/2019/08/ACOSS-Brief-Social-Housing-Investment-as-Infrastructure.pdf>

ii https://www.ahuri.edu.au/__data/assets/pdf_file/0025/29059/AHURI-Final-Report-306-Social-housing-as-infrastructure-an-investment-pathway.pdf