

MEDIA RELEASE

Community Housing Industry Breaks 100K Barrier

The Productivity's Commission 2019 Report into Government Services (ROGS) released today shows that rental units managed by community housing providers have passed the 100,000 mark and now make up almost 25% of Australia's total social housing portfolio.

Wendy Hayhurst, the Community Housing Industry Association's (CHIA) CEO said this doubling of the sector's size over the last ten years (from 44,000 in 2010) had been achieved through both new construction and successful public housing transfer programs. Scaling up not-for-profit housing in this way is creating an important third sector in Australia's housing system – positioned between market players and state housing authorities. "Passing 100,000 is a significant milestone for our sector's coming of age" she said. "It testifies to the growing professional and governance capacity of community housing".

Ms Hayhurst also acknowledged the role of governments in creating growth opportunities that have helped to bring this about "Programs such as the Commonwealth Government's Social Housing Initiative and NSW's Social and Affordable Housing Fund; public housing transfers in Tasmania, SA and NSW and the cheaper private finance available to community housing via the National Housing Finance and Investment Corporation (NHFIC) have all contributed to this growth".

While pleased that the 100K landmark had been achieved John Nicolades, CHIA's interim chair drew attention to the possibility that numbers could, in fact, dip back down. "With the Commonwealth's National Rental Affordability Scheme winding down from this year, many of the 36,000 plus affordable rental homes it supported will be lost, and this at a time when there are growing shortfalls in housing affordable to lower income Australians". He noted that the ROGS highlight that half of low income private tenants are experiencing rental stress (i.e. paying more than 30% income on rent. "And just before Christmas, government-funded <u>research</u> reported an "acute and growing" shortage of private rental properties affordable to low income earners – up from 138,000 in 2006 to 212,000 in 2016."

Mr Nicolades said that the community housing sector was well-placed to work with governments to tackle this big but soluble housing challenge. "Social and affordable housing development is possible only with government co-funding. The benefits to individuals, the community and even Treasury coffers makes it an investment with a great return'.

"In our Federal Pre Budget <u>submission</u>, CHIA has proposed a range of cost-effective funding models that could make a major dent in Australia's affordable housing shortage" said Mr Nicolades said. "We are hoping the government takes notice and pushes the start button; we're ready and waiting to lead in delivering the national program Australia badly needs"

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