

## **\$61m public housing investment welcomed, but at what opportunity cost for thousands still waiting for a home?**

**ACT Shelter, ACTCOSS and the Community Housing Industry Association (ACT Region) collectively welcome the Homelessness Week Housing Stimulus announced by the Chief Minister today but question the opportunity cost, and warn that without substantial and sustained ongoing investment social and affordable housing there will be fewer housing options available for Canberrans most in need when the Housing Strategy expires in 2028**

“Investment in social housing infrastructure, such as public housing, is a win-win. Secure homes for people with disabilities and secure jobs for construction workers are a great social return on investment. The addition of 60 new class C homes will provide vital accessible and affordable housing options with security of tenure to support people with disabilities to exercise more choice and control over housing decisions. Infrastructure upgrades to extend the asset life of multiunit complexes will support hundreds of Canberrans to stay safely housed...” ACTCOSS Director, Emma Campbell said today.

ACT Shelter welcomed the Chief Minister’s decision to direct public investment for economic stimulus to growing and retaining social housing assets and infrastructure.

“...Evidence shows the economic return from direct investment in social housing infrastructure is equally significant. Every \$1 invested in the Social Housing Initiative during the Global Financial Crisis generated \$6 of economic activity. If replicated today’s announcement could inject more than \$350 million of badly needed stimulus into the Territory economy...” ACT Shelter CEO, Travis Gilbert said today.

ACT Shelter offered cautious support, warning, without accompanying incentives and reforms, the ACT Government is at risk of failing to achieve goals 2 and 3 in its 2018 Housing Strategy.

“...ACT Shelter supports the Growing and Renewing Public Housing Program but the reality is, we are not growing social housing supply. Social landlords provide 6.2% of total residential housing in the ACT. Today’s announcement commits to growing the asset portfolio by just 2.5% over the next 6 years, effectively reducing the proportion of newly built homes for Canberrans most in need by more than 50% between now and 2026. Without a holistic suite of demand and supply-side interventions, and reforms to land development, planning and zoning to achieve minimum quotas for social housing supply, we will fail to achieve the 2<sup>nd</sup> and 3<sup>rd</sup> Goals set by the Government in its 2018 Housing Strategy...” Mr Gilbert warned.

The Community Housing Industry Association (ACT Region) welcomes the scale of the investment and the targeted support for Canberrans with a disability, or older Canberrans, but questions the opportunity cost. CHIA looks forward to continuing to engage with the ACT Government on more efficient channels to address the large and growing supply and demand gap for social and affordable rental dwellings in the ACT, and further ACT Government investment announcements in this space leading into October.



“CHIA ACT members have put forward in last November’s [pre-budget submission](#) a clear statement of priorities and a range of practical solutions to directly address the key problem, which is the massive undersupply of social and affordable rental homes here in the ACT. Whilst a large investment in public housing is welcomed, CHIA member’s concern is the opportunity cost. An equivalent investment that instead leveraged the community housing sector as the delivery vehicle would yield at least a four-fold increased impact (240+ additional social housing dwellings, not just 60), given the ability to use any Territory contribution to attract concessional finance through the Commonwealth and attract private investment partners, on top of provider’s own balance sheets. We think that ACT residents care more about outcomes rather than whether the delivery arm is the Government itself, or the tightly regulated independent not-for-profit community housing providers in partnership with the private sector, a trend that is increasingly been seen in every other jurisdiction in Australia...” said the CHIA ACT Region Director and Chair, Andrew Hannan.

“The minor announcement regarding the end of the land tax exemption pilot, with this now being an ongoing program, albeit capped at just 125 properties, will enable eligible CHIA ACT member providers, Havelock House, YWCA and CHC, to more readily attract private landlords to partake in the scheme that also helps address the undersupply issue of social and affordable rental homes,” added Andrew Hannan.

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