



## MEDIA RELEASE

### **Federal Budget - a missed opportunity to meet social housing need while growing Australia's economy and saving construction jobs**

The Community Housing Industry Association (CHIA) is disappointed that the 2020 Federal budget contains no plans to kick start the recovery through investing in social housing. "The Master Builders construction forecasts have pointed to a 27% fall in home building, with massive implications for employment in an industry that supplies over 9% of Australia's jobs" said Wendy Hayhurst, CHIA's CEO. "While the budget has some measures to support home builders, these are unlikely to be anywhere near sufficient to compensate for the drop in demand caused by zero migration and high rates of financial stress.

"While CHIA welcomes the \$1 billion extension of the Commonwealth Government guarantee supporting the National Housing Finance and Investment Corporation's (NHFIC) lending but this on its own is insufficient to drive substantial new social and affordable housing construction.

"Our Pre Budget Submission proposal, the Social Housing Acceleration and Renovation Program (SHARP), would have delivered 30,000 high quality energy efficient homes for people in need, and secured great jobs for thousands in regions and towns across Australia,"

She went on to say "Investing in social housing is the right thing to do now. There is almost infinite demand for the product; a build program can ramp up quickly – our members have already identified almost 12,000 units they could start in six months ; activity can be targeted where the economic impacts are most badly needed and it is creating additional activity - not simply bringing forward homes that will get built anyway"

Andrew Hannan, Chair of CHIA said "It isn't just the community housing industry that has been calling for social housing. Leading economists galore, the property industry, academics and the community sector, have repeatedly made the case".

"With a \$7.7B price tag to all levels of government over four years the SHARP would also return the investment via increased activity multiplying it's benefits beyond housing. Modelling by SGS Economics & Planning demonstrates SHARP should raise output in Australia by at least \$15.7 billion in total, over the four years of construction and increase GDP by anywhere between \$5.8 to \$6.7 billion, So SHARP offsets most of its initial cost".

Wendy Hayhurst also said 'we musn't forget that before the pandemic there were 116,000 homeless people in Australia and 1.3 million Australians living in poverty simply because they were paying too much on housing. Just how many more people will have been added to these totals through the financial hardship brought on by the outbreak is yet to be seen.



While, this budget hasn't prioritised social housing, the need won't go away. Let's hope that the come May 2021 social housing will get its chance.

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