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27 January 2022

NEW POLICIES TARGET AUSTRALIA'S HOUSING CRISIS

A unified alliance of peak property, building, community housing, social services, union and industry superannuation groups is proposing a suite of new policy measures targeting Australia's worsening housing crisis.

If implemented by the Australian Government, the policy options proposed in a landmark new paper released today could **deliver 11,150 to 14,950** additional social and affordable homes per annum on top of the new supply already being created by state and territory governments through separate initiatives.

The Alliance's core members advocating collectively for these new policies include the Australian Council of Trade Unions, the Australian Council of Social Service, the Community Housing Industry Association, Industry Super Australia, Homelessness Australia, the Housing Industry Association, Master Builders Australia, National Shelter and the Property Council of Australia.

The policies aim to leverage new sources of private sector capital and Australia's residential development capabilities, which are among the most efficient housing delivery mechanisms in the world.

"Significantly improving people's access to housing that is safe, secure and affordable for the occupants has to be put high on the policy agenda for 2022 and beyond," said National Affordable Housing Alliance (NAHA) Chair Mr Rod Fehring.

"Despite significant efforts by governments, as well as community, and the private sector over the past thirty-plus years, Australia's social and affordable housing and homelessness crisis has continued to worsen."

A recent independent review for the Australian Government found that 'an investment of around \$290 billion will be required over the next two decades to meet the shortfall in social and affordable housing dwellings.'¹

"The longer the challenge goes without solutions that match the scale of the problem, the more acute it will become with profound social and economic implications," Mr Fehring said.

"We must urgently adopt new approaches backed by new alliances, supporters and sources of capital, to not only halt but gradually reverse this decline and substantially increase the supply of social and affordable housing in an enduring, systematic and self-sustaining way."

In developing the suite of policy options, NAHA has drawn on the collective expertise of its members together with a range of experts in the field.

¹ <https://treasury.gov.au/publication/p2021-217760>

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NAHA's members are advocating for the implementation of four initial core policies:

1. Implementing a Housing Capital Aggregator supported by refundable Affordable Housing Tax Offsets to incentivise and crowd in institutional investment in new social and affordable housing supply.
2. Establishing a Social and Affordable Housing Future Fund with an initial \$20 billion in funds under management to close the social and affordable housing funding gap.
3. Activating Affordable Build-to-Rent housing as a vehicle to deliver additional social and affordable housing.
4. Enhancing state and territory-based planning and development contributions legislation to prioritise up to 1% of infrastructure contributions and levies to be aggregated and channelled into social and affordable housing provision consistent with state and territory housing policies across Australia.

In parallel with these policies, NAHA is also seeking a commitment to the development of an integrated database that tracks the delivery of social and affordable housing delivery at a national and regional level to ensure that capital is deployed where need is greatest.

"A long-term dataset is critical in ensuring that both transparency and accountability in the delivery of the right types of housing on the right terms in the right locations," Mr Fehring said.

Of the total net new additional supply created by the application of this policy suite, NAHA's position is that a minimum of 25% be dedicated to addressing the needs of the most vulnerable households as social housing with rents capped below 30% of household income.

The Alliance is seeking to work with all levels of government and has proposed establishing a joint federal, state and territory government taskforce in partnership with NAHA to progress the development and implementation of the recommended policy suite.

A copy of NAHA's paper *Increasing the Supply of Social and Affordable Housing at Scale and in Perpetuity: Policy Options* is attached.

Media contact

Fiona Scott E | fiona@fjpartners.com.au M | 0407 294 620

About NAHA

The National Affordable Housing Alliance comprises Australia's peak property, building, community housing, social services, union and industry superannuation groups who have come together with a focus on increasing the provision of social and affordable housing across Australia.

The Alliance's core members include: Australian Council of Trade Unions; Australian Council of Social Service; Community Housing Industry Association; Industry Super Australia; Homelessness Australia; Housing Industry Association; Master Builders Australia; National Shelter; and the Property Council of Australia.