



Double housing fund to deal with shortfall

Media release | 6 February 2024

The community housing sector is urging the federal government to double the Housing Australia Future Fund to at least \$20 billion to combat the halving of low-income housing supply since the early 1990s.

A new Community Housing Industry Association (CHIA) analysis of Productivity Commission government services data also reveals total social housing stock has grown at just a third of the rate of Australia's population in the decade to 2022-23. Public and community housing stock numbers increased by just 21,744 or 5.2 per cent since 2012-13, far slower than overall population growth of 15.1 per cent.

The result, as confirmed by the recent census, is that public and community housing has dwindled to only 4 per cent of all housing.

But this trend is only the latest turn of the screw for social housing. Lettings to new tenants are down 38 per cent, in nominal terms, from 1991. But adjusted to population growth, the 2022-23 figure is 59 per cent lower. Even since 2017-18, allocations proportionate to population have declined by 14 per cent. This during a period when the growing shortage of rentals affordable to low-income Australians means the country needs more, not less, non-market housing.

CHIA CEO Wendy Hayhurst called on the Commonwealth Government to at least double capital investment in the \$10 billion Housing Australia Future Fund (HAFF) to help meet unmet housing need, forecast to jump from 640,000 to one million households by 2041.

"Using a true measure of supply that takes into account population growth, the provision of social housing has effectively more than halved since the early 1990s" she said.

"Australia's housing system has failed catastrophically to respond to soaring need. The government's commitment to fund 40,000 new rental homes through the HAFF and the National Housing Accord represent significant initial steps in reversing decades of national housing policy neglect.

"But commitments to date are simply not enough to meet the sheer scale of demand from Australia's lowest income households as rental availability vanishes and costs soar."

Below the national level, CHIA found that South Australia's social housing availability went backwards, provision declining by 3,424 dwellings or 5.7% of stock. NSW, meanwhile, accounted for 55 per cent of the national 10-year increase in social housing supply, adding 11,983 homes.

"To bolster social housing investment the government should use its budget surplus to at least double its capital stake under the HAFF" Ms Hayhurst said. "Channelling the additional investment returns to an expanded social housing program could be done without increasing inflation, as this could simply enable us to extend the program beyond 2030," Ms Hayhurst said.



“This would significantly boost housing supply, open up flexibility in funding streams, and allow the delivery of more social and affordable housing options. If we can grow the program enough it will begin to dampen rent inflation at the bottom of the private rental market”

The analysis also found:

- As of June 2023, there were 108,000 community housing units, a 65% increase from 2014;
- Spending on homelessness services by states and territories combined jumped 31 per cent in real terms over the last five years;
- More than a third of people (35%) seeking help are not having their immediate accommodation needs met, up from 29% in 2016.

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