



JOINT MEDIA RELEASE

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Housing fund shortfall won't help councils build better communities

The Federal Government's new Housing Support Program must be increased to \$750 million to empower local governments to help deliver the Commonwealth's ambitious housing targets and enable vital infrastructure investment in new housing developments.

The competitive program – which has been welcomed by local government – will provide funding for connecting essential services, amenities to support new housing development, and building planning capability.

ALGA President Cr Linda Scott said the peak body for Australia's 537 councils was a proud signatory of the National Housing Accord, which has set a target of 1.2 million new, well-located homes over the next five years.

However, under the current \$500 million housing program, this only equates to about \$400 per home, based on the 1.2 million homes target. Given the costs of civil and essential services infrastructure in greenfield or infill development, the program funding is vastly insufficient.

Cr Scott said: "While we welcome the Government's housing fund for enabling infrastructure investment in new developments, this is nowhere near enough to help deliver on Australia's ambitious national housing targets.

"Preparing new land releases will cost billions of dollars, with much of the pressure falling on a small number of councils that will be expected to take on the majority of new housing.

"While we desperately need more affordable housing, this has to be supported by local infrastructure and services that will enable healthy and connected communities, especially in regional and remote areas.

"This means we need more swimming pools to provide relief on hot days, more libraries to run community programs and more bike paths for active transport and better environmental outcomes.

"Developer contributions are vital to building this infrastructure, but we also want to see the Housing Support Program expanded by \$250 million to better support councils to build the facilities our communities need.

"Up-front funding for community infrastructure is a matter of intergenerational equity. We have to address this issue now before we build 1.2 million new homes, as it will only get more expensive to retrofit solutions."

NGAA Chair Cr Matthew Deeth said: "Our fast-growing outer metropolitan cities and suburbs have been shouldering the housing development burden for decades.



“Our communities – making up around one-fifth of Australia’s population – live with infrastructure deficits and challenges accessing employment, health care and community facilities other parts of the country take for granted.

“It is important we learn from the past and establish effective partnerships and funding models involving all levels of government if we genuinely care about the future of our growing communities.”

Community Housing Industry Association (CHIA) CEO Wendy Hayhurst said: “Our country has a desperate shortfall of community housing, and on current trends, close to one million low-income Australians' housing needs will not be met by 2041.

“As well as building homes, we need to ensure the people who live in them have access to great community infrastructure. We’ve recently done research that demonstrates the positive health and wellbeing benefits from living near well-designed parks with playgrounds, picnic spaces and cycle paths.

“Our tenants also need free and low-cost services run out of libraries, health clinics and community centres. These are the services that really allow a community to flourish and the must be robustly funded.”

In summary, with support from the NGAA and CHIA, ALGA is calling for in the 2024-25 Federal Budget:

- An increase in the Government’s Housing Support Program from \$500 million to \$750 million.
- The additional \$250 million is to be made available to local governments for infrastructure to improve the liveability of new housing developments.

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Media contacts:

- ALGA – Brad Watts, 0418 415 649
- NGAA – Michelle Jack, 0408 411 848
- CHIA –Nick Lucchinelli, 0422 229 032