



Australian Government

Australian Institute of
Health and Welfare

Australia's welfare



Housing affordability in Australia

Where have we come from? Where are we now?
Where do we want to be?

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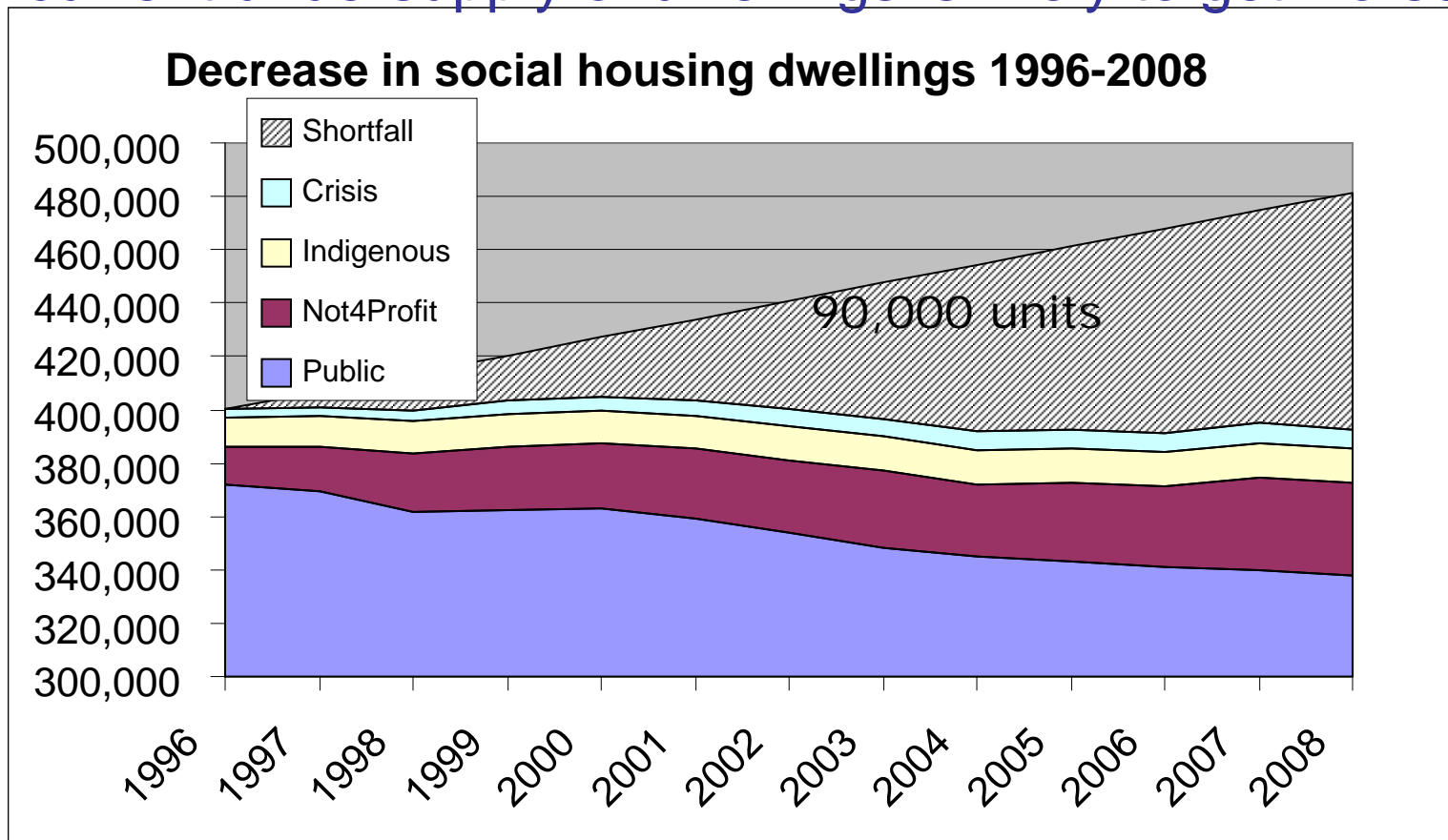
Department of Families, Housing, Community
Services and Indigenous Affairs



Why is housing an issue?



The current undersupply of dwellings is likely to get worse



What needed to change?

- The Commonwealth State Housing Agreement (CSHA) was not addressing the issues
- Lack of supply and affordability of housing for buyers entering the market
- Rapidly rising rents
- Strong demand for social housing



What has been done so far?

- Government reformed its relationship with the States and Territories - new Inter-Governmental Agreement
- National Affordable Housing Agreement – better way of responding and made roles and responsibilities clearer
- Commonwealth Government - increased the supply of affordable housing - extra \$20 billion over 10 years
- Housing reform agenda

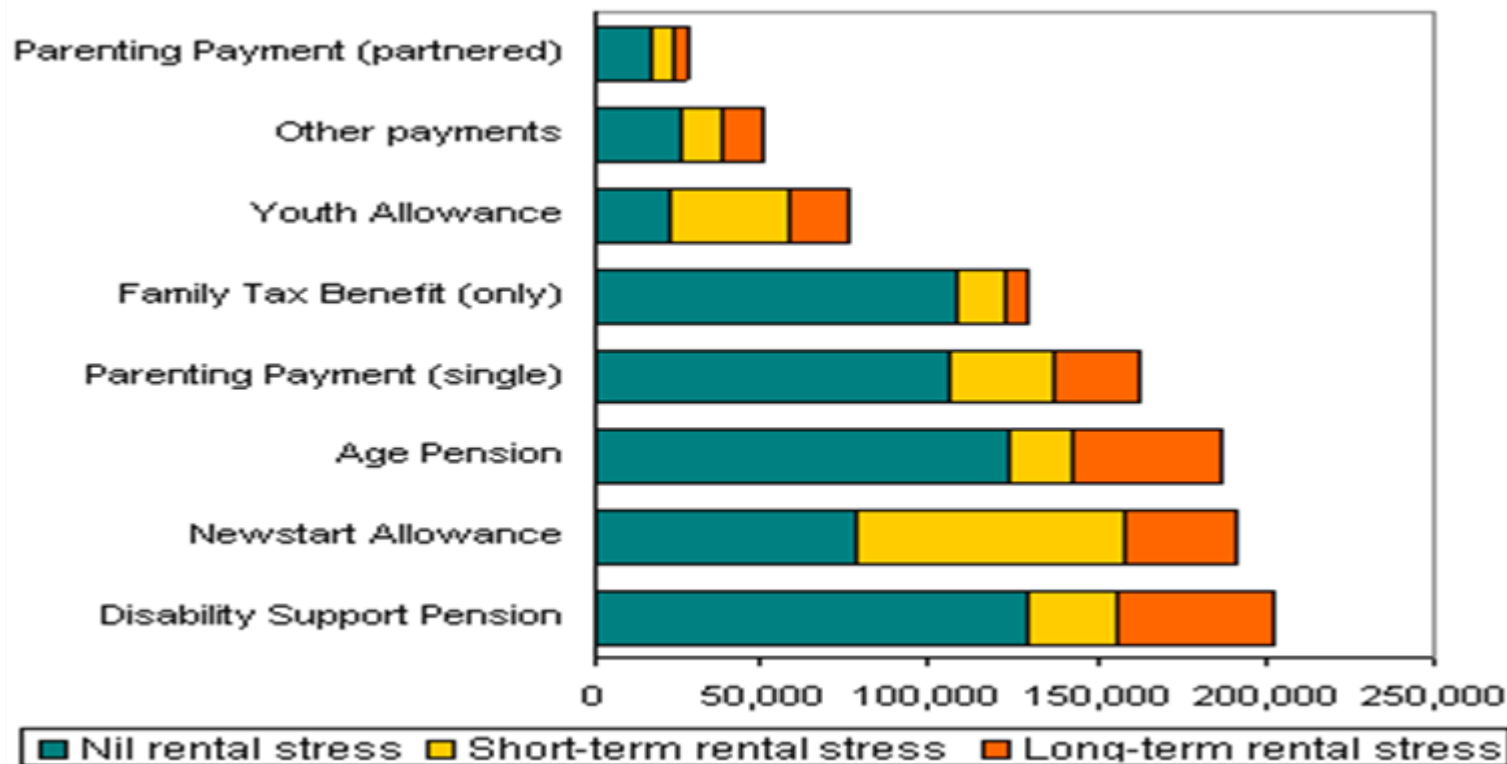


- Social Housing Initiative (Nation Building Economic Stimulus Plan)
- National Rental Affordability Scheme
- National Partnership Agreement on Social Housing
- Housing Affordability Fund (HAF) and First Home Buyers Assistance to help people move out of rental



Current policy issues

Many people who receive CRA are still in long term rental stress



Issues continued...

- Broader Housing Supply
- Homelessness
- Housing Affordability for low income workers
- Not enough social housing and the shortage will not be addressed by existing funding
- Social housing tenants have poor employment outcomes
- Aspects of the planning system create inefficiencies in the housing market



Where do we want to be in 20 years?

- Housing is affordable because overall supply is increasing at the same rate as household growth
- Affordable rental programs support lower income workers as well as social security recipients.
- Social housing continues to provide a safety valve to the private rental market
- But we are thinking differently about the role it plays:
 - Tenants have more choices about their housing
 - Tenancy management seeks to maximise economic and social participation
 - More social housing providers allows for innovation and competition

Social and affordable stock growth is funded by a mix of public and private investment



How do we get there?

- Work being undertaken by Housing Ministers' Conference and Planning Ministers
 - The next stages of reform
- Henry Review of taxation
 - the impacts of taxes and transfers on housing



Questions?

