



Australian Government
Department of Social Services



Australian Government Affordable Housing Policy Update

1 November 2018

Paul Hardcastle, Director, Homelessness Policy

DSS acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community.

We pay our respects to them and their cultures, and to Elders both past and present.

Australian Government Affordable Housing Initiatives

A comprehensive housing affordability plan for all Australians

The Government has a comprehensive and targeted plan that will improve outcomes across the housing spectrum.

Unlocking supply



- A new National Housing and Homelessness Agreement linked to outcomes including aggregate housing supply targets
- Encouraging planning and zoning reforms
- Establishing the \$1 billion National Housing Infrastructure Facility

- Investing in cities through City Deals, including in Western Sydney
- Releasing suitable Commonwealth land, starting with 127 hectares of surplus Defence land in Melbourne
- Developing a public and online Commonwealth land registry



Crisis

Social

Affordable Rental

Private Rental

Assisted Home Ownership

Home Ownership

As at 30 June 2016, there were almost 200,000 households on social housing waiting lists



The number of low income households experiencing rental stress has increased from 43 to 54 per cent in Greater Sydney and 37 to 45 per cent in Greater Melbourne, between 2007-08 and 2013-14



In 2015-16, over a quarter of a million people were assisted by specialist homelessness agencies



The most recent figures show that there is a shortage of 271,000 affordable and available homes for low income households



The average number of years to save for a deposit on a house has increased from 5 to 8 years in Sydney, and from 4 to 6 years in Melbourne over the last decade.



Improving outcomes for those most in need

A new \$4.6 billion National Housing and Homelessness Agreement including \$375 million of new funding for homelessness

Funding Social Impact Investing

- Establishing the National Housing Finance and Investment Corporation
- Increasing the capital gains tax discount to 60 per cent for individual investors in affordable housing
- Encouraging investment in affordable housing by Managed Investment Trusts
- Strengthening the regulation of community housing providers nationally
- Supporting The Big Issue's Homes for Homes Initiative



Creating the right incentives

- Developing standard long-term leases
- Introducing an annual tax on foreign owners of vacant residential properties

Promoting rent-to-buy and shared equity schemes

- Allowing first home buyers to build deposits within superannuation through voluntary contributions
- Reducing barriers to downsizing to free up larger homes for families
- Improving the integrity of capital gains tax rules for foreign investors
- Limiting foreign investment approvals in new developments
- Encouraging new housing that is offered exclusively to first home buyers



Source: Australian Government Budget 2017-18 Factsheet 1.1 A

National Housing and Homelessness Agreement

- The National Housing and Homelessness Agreement (NHHA) provides \$1.5 billion in ongoing and indexed housing and homelessness funding to the states and territories per year.
- NHHA funding will provide certainty to frontline homelessness providers, while also delivering increased transparency and accountability.
- Under the NHHA, states and territories are required to publish housing and homelessness strategies that address priority areas and reduce the incidence of homelessness.

Review of the National Regulatory System for Community Housing

- As announced in the 2017-18 Mid-Year Economic Financial Outlook, the Australian Government will contribute funding to a review of the National Regulatory System for Community Housing (NRSCH Review).
- Details of the NRSCH Review are currently being determined by the Commonwealth and state and territory governments.
- A consistent national approach to the implementation and application of regulation will assist growth in the sector.

National Housing Finance and Investment Corporation

- The National Housing Finance and Investment Corporation (NHFIC) commenced operations on 30 June 2018.
- The National Housing Infrastructure Facility (NHIF).
- Affordable Housing Bond Aggregator.

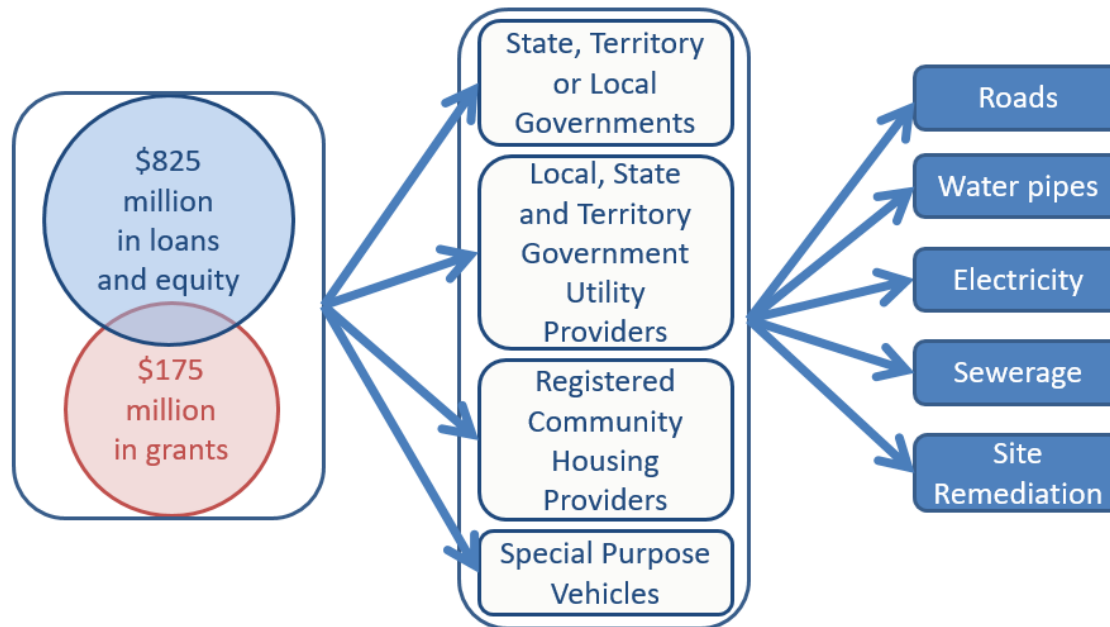


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NHFIC – National Housing Infrastructure Facility (NHIF)

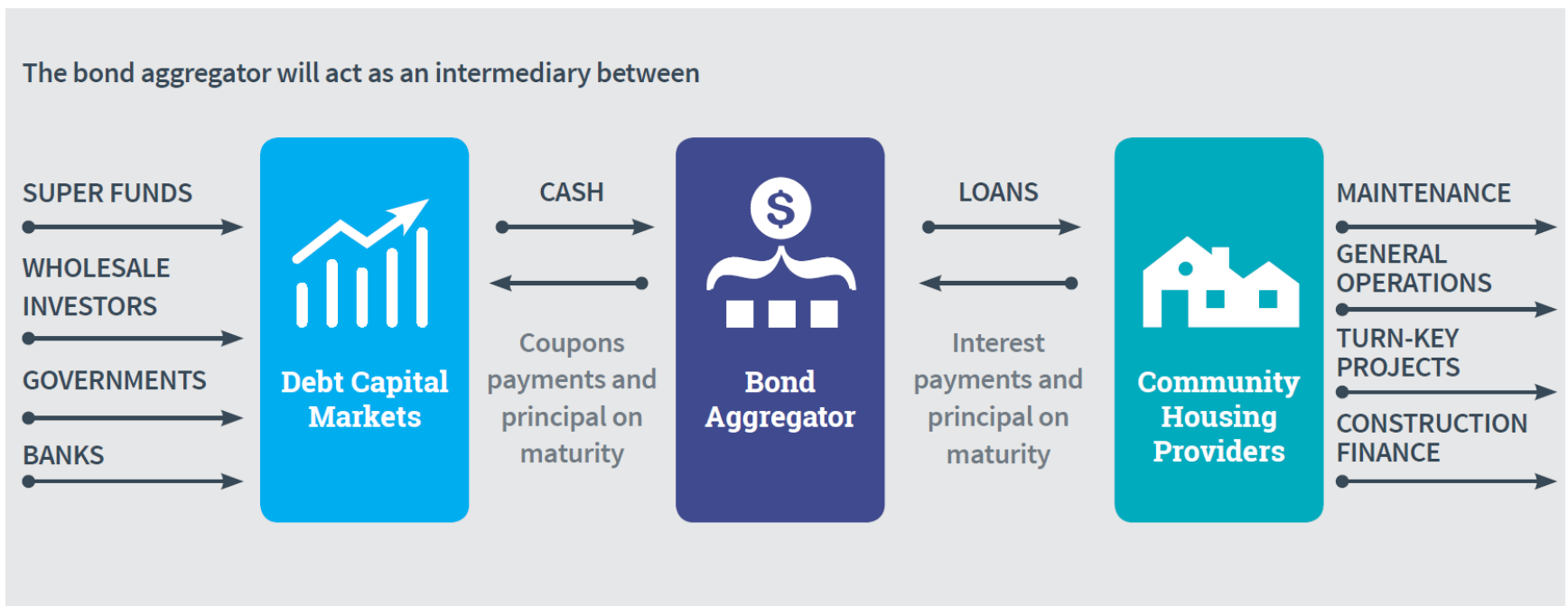
- The National Housing Infrastructure Facility (NHIF) provides \$1 billion in loans, investment and grants for critical related infrastructure to accelerate the supply of housing, particularly affordable housing.



NHFIC

– Affordable Housing Bond Aggregator

- Aims to provide low interest and longer term loans to registered community housing providers.
- More information is available at: www.nhfic.gov.au



Commonwealth Rent Assistance

- The Australian Government provides \$6 billion each year on housing support and homelessness services.
- In 2018-19, the Australian Government will assist more than 1.3 million Australians meet their rental costs through the provision of \$4.5 billion in Commonwealth Rent Assistance.

Thank you

*Paul Hardcastle
Director, Homelessness Policy*