



## Elections 2019 – the housing elections that weren't

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### **The prospects for change were real; but it was not to be. Where to now for housing advocates?**

Housing advocates across New South Wales have endured a grueling first half of 2019. Back-to-back state and federal elections featuring some of the most promising housing platforms we've seen since 2009 have both returned the status quo. At each level Labor, the Greens and others had spent a great deal of time consulting with advocates and practitioners, taking on board some of our more high-impact and high-priority suggestions for a better housing system.

Labor, as the alternative party of government, offered policies that should have given hope to us all. Federally they recommitted to their 2016 election promises to wind back tax breaks for negatively geared investors and reduce capital gains tax discounts, coupling these with proposals for a National Housing Strategy and a 15 year program of investment towards 250,000 new homes for rent at sub-market levels. In New South Wales Labor promised to ensure all new residential development would include some affordable housing – with a requirement for 15% to be included in private developments and 25% on public land – and committed to improving security of tenure for renters by ending “no grounds” evictions.

But the votes are in, and it was not to be.

It is hard not to be dismayed by these results. Our housing system is broken, and we've long needed a change in policy at both levels of government to get things moving in the right direction. This time the prospect of change was real. But it was also incomplete. Despite Labor's understanding of the link between tax concessions for property investors and unaffordable housing for first-home-buyers, their ambition to deliver new affordable housing, and their promise to make the private rental market more secure for renters, the one thing we need above all else – capital funding for permanent, subsidised social housing – was largely missing.

This will come as small consolation for those counting on change, but it is worth keeping in mind as the state and federal Labor parties reflect upon their losses and review their policies for the next electoral

cycles. Now is not the time for Labor to abandon all its good work on housing policy – in fact, it should maintain its ambition and build upon it in spades.

New South Wales is in the midst of a deepening housing crisis. Currently there are around 215,000 households across the state that are either homeless or paying more than they can afford for their housing, and with projected population growth alone we require several thousand new social and affordable homes to be built each year just to stop the situation from getting worse. These homes need to be priced so that households of limited means can afford them, noting that one-fifth of the Australian population was living on less than \$650 per week and two-fifths were on less than \$1200 per week when the 2016 Census was taken. Housing is considered affordable if it takes up less than thirty per cent of a lower income household's income, so on these figures anything more than around \$200 per week will put some single-income households into stress. Any low-income single person household will be in stress once they're paying more than \$360 per week for their housing. Have a look around, and see what you can find at those prices.

For now we face several more years without a clear plan to address this. We still have the National Housing and Homelessness Agreement funded to the tune of \$1.54 billion nationally in the 2019/20 Federal Budget, with \$484.2 million going to New South Wales. Under that agreement New South Wales has committed to a number of things including the continued observance of the 2016 *Future Directions for Social Housing* strategy, the 2018 *NSW Homelessness Strategy*, and the 2018 Regional and District Plans of the Greater Sydney Commission. If the treatment of housing and homelessness policy moves beyond the current tendency towards a siloed approach and if the NSW Government can build and coordinate its current programs including estate renewal through public/private partnerships, finance innovations such as the Social and Affordable Housing Fund (and at the federal level, the National Housing Finance and Investment Corporation), and the delivery of affordable housing through the planning system, some progress at least can be made. But with no commitment to new funding for social housing this progress will only be to slow the rate at which we go backwards.

We need to shift the general mindset that sees social housing as welfare, and move beyond notions of affordable housing as an intervention for “key workers” to be delivered by planning instruments and market cycles. Our responses to homelessness should be to build more housing that people on the lowest incomes can afford, as well as to offer more targeted assistance to individuals in crisis. We need a clear plan that is developed using the significant body of evidence that is already available to policy makers, and will no doubt continue to grow. To their credit, the NSW Government has moved the Land & Housing Corporation into the planning cluster, and shown some early interest in the messages of the Good Growth Alliance. We will need them to take this further.

In the meantime, housing advocates can continue to work with what we've got; after all, we've been doing that for years. From some points of view the status quo is not that different from what Labor governments might have initially offered, had they been elected. For now we will need to accept that big, system wide change – in whatever form that might take – remains elusive, which is not to give up hope for the future but to double-down and continue the hard work of doing what we can, where we can, within existing frameworks. We must continue to work closely with our Coalition governments at

both state and federal levels, and we must make sure our claims for a more fair and equitable housing system remain front and centre in our work. We need to find a way to build a consensus for a better approach to housing.

The best way to do this is to get back to basics, and talk to each other about what's working and what's not within our own lines of sight. To this end, as always, Shelter NSW wants to hear from you. We need to learn from you, and to understand what matters to you when it comes to the challenges of housing the people of New South Wales. If you're so inclined, please drop us a line or give us a call to make a time for a conversation, or let us know when might be a good time for us to come to you. Now, as ever, there's a lot to talk about.

Housing advocates have done an incredible amount of good work over the last couple of years, and we have achieved a great deal. We must continue. We must never stop.

The Shelter NSW team is always keen to hear from you. Our contact details are:

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