



**PowerHousing  
Australia**

Collaborating for a better housing future



# Housing for All

Leveraging community housing  
to address Australia's crisis

NOVEMBER 2024





# Acknowledgement of Country

PowerHousing Australia acknowledges that the land we share for our homes, our workplaces and our communities was and always will be First Nations Peoples' land. We acknowledge the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to Elders past, present and emerging and extend our respect to all Aboriginal and Torres Strait Islander peoples.



# About PowerHousing Australia

PowerHousing Australia has grown to a national network of 38 growth-focused, Tier 1 and Tier 2 Community Housing Providers who own and manage more than 80% of the community housing stock in Australia.

Our members are brought together through our collective commitment to:

- address housing need through growth of supply
- advance best practice in housing and community development
- ensure excellence in tenancy and asset management.

## Our 38 growth and development focused CHP members:



Have assets worth over

**\$35+**  
**billion**



House

**150,000+**  
tenants nationally



Supports a **diverse**  
**cross-section**  
of the Australian  
community, including  
many vulnerable  
Australians



Provide homes for

**90,000+**  
**low-moderate**  
income earners



# Executive summary

At the heart of a thriving, equitable society lies a fundamental truth: everyone deserves a safe and affordable home. Yet, with skyrocketing house prices, soaring rents, and worsening homelessness, Australia's housing system is leaving many behind and deepening inequality across our society.

**PowerHousing Australia members – 38 of the leading Community Housing Providers across Australia – are poised to play a key role in reversing this trend. With the right policy settings, CHPs could add 20,000 new houses a year until 1 in 10 houses in Australia are social or affordable.**

CHPs are uniquely positioned to partner with all levels of government and the private sector. They leverage the best of both to build affordable housing at scale and with efficiency and speed.

This is why PowerHousing Australia is calling for a federal, bipartisan commitment to policies that will fully harness the ability of CHPs to build social and affordable housing at the scale Australia needs.

It is time for the scale of housing solutions to match the scale of the housing problem.

Social and affordable housing is not merely a safety net, it is essential social infrastructure that provides individuals and families in Australia with a home while also alleviating pressure across the entire housing market. It's time to utilise this potential and support community housing to scale up as a cornerstone of an equitable housing system.

Opening of Boronia Apartments,  
City West Housing







## Terminology

**Community Housing** is subsidised housing managed or often owned by community housing providers. It includes social and affordable housing, but not public housing which is owned and managed directly by state and territory governments.

**Community Housing Providers** (CHPs) are not-for-profit organisations that build, own, and/or manage social and affordable housing, and re-invest any surplus revenue into new housing, support services or improving properties. The Community Housing Providers referred to in this report are PowerHousing Australia's 38 members – Tier 1 and 2, growth focused CHPs who own and/or manage over 80% of Australia's community housing stock.

**Affordable Housing** is rental housing that is appropriate for the needs of a range of very low to moderate income households and is managed by a registered Community Housing Provider. For the majority, rents charged for affordable housing do not exceed 74.9% of the market rent as determined by a Market Rent Valuation; and 30% of the household income.

**Social Housing** is housing provided at, or near, a full market subsidy, to those in the position of greatest social disadvantage. Social housing is typically governed by government policy and is managed by a CHP or government department / agency, with most potential tenants sourced from a wait list. Social Housing also includes Crisis Housing and Transitional Housing.



# Report at a glance

## State of play

Australia is facing a housing crisis. Homelessness has grown, rents are astronomical, house prices are out of reach for far too many.

Over the past decades, government investment in social housing has decreased, relying instead on the private market. This approach has resulted in dire levels of access and affordability across our housing system.

Increasing the supply of houses is critical. However, supply alone does not ensure affordability at all ends of the market

## Current impact of Community Housing Providers

PowerHousing Australia's members' impact has doubled over the past decade and in 2024 they house over 150,000 people across 90,000 homes.

Community Housing Providers (CHPs) can combine large scale housing supply with their drive for social change, providing tenants with essential support as well as a home.

CHPs have a unique place in Australia's housing ecosystem, and their potential must be harnessed to create the fair and affordable housing system Australia needs.

## Potential impact of community housing providers operating at scale

Community Housing Providers are prepared to build on their strong track record and scale up efforts to address Australia's housing crisis at a transformative level.

CHPs have the capacity to deliver 20,000 new homes annually, aiming to make 1 in every 10 homes in Australia social or affordable by 2045.

Expanding social housing would help eliminate entrenched homelessness, providing a stable and safe home for every person in Australia.

An increase in affordable rental housing would enable key workers to live near their workplaces, support young people in securing employment, and contribute to cohesive, vibrant and productive communities.

More community housing creates choices and pathways for all Australians between social housing, affordable rentals, the private rental market, and homeownership.

## Pathway to success

For Community Housing Providers to deliver social and affordable housing at the scale Australia needs, we need:

- A commitment to a 20-year Housing All Australians Plan with a clear, measurable roadmap.
- A commitment to ensure 1 in 10 houses in Australia are social or affordable by 2045.
- Recognition of community housing as social infrastructure.
- Consistent and predictable government programs that provide the foundational funds CHPs need to scale and unlock barriers to institutional investment.



# State of Play



## Housing crisis

Australia's housing crisis is driven by systemic issues leading to rising housing prices, lower rental vacancy rates, and reduced housing affordability. Although the crisis intensified during the COVID-19 pandemic, these issues were already prevalent. The pandemic exacerbated factors such as altered housing demand and accelerated price growth across cities and regional areas, resulting in sharp rent increases and reduced availability, disproportionately affecting low- to mid-income earners, young people, and single-parent households.<sup>1</sup>

Australia faces a shortfall of over 400,000 social and affordable housing units for low-income earners, projected to reach nearly 730,000 by 2036.<sup>2</sup> The national dwelling value-to-income ratio has climbed to 7.9, approaching record highs according to the September 2024 ANZ CoreLogic's Housing Affordability Report.<sup>3</sup>

A 2024 rental affordability survey revealed that less than 1% of rentals were affordable for someone earning full-time minimum wage, with even lower affordability for those on the Age Pension and Disability Support Pension.<sup>4</sup>

ABS data shows that homelessness has risen steadily in recent years, with the last Census estimating over 122,000 people experiencing homelessness<sup>5</sup>, and this does not capture the full extent of hidden homelessness such as couch surfers and those living in cars.

As the crisis grows and affects those on higher incomes, more and more people are being locked out of the housing that they need and are struggling to find a home they can afford.

The impact of housing affordability has far reaching ramifications for Australian society. As home ownership rates drop, Australia's pension system – predicated on a paid off mortgage – is becoming precarious, leading to rising poverty in senior years. At the same time, young people – especially those whose parents do not own property – are finding themselves unable to reach their potential due to an unstable and unaffordable rental market.<sup>6</sup> Fundamentally, an over reliance on the private market to supply all Australians with housing is leading to a catastrophic, society altering wealth divide.

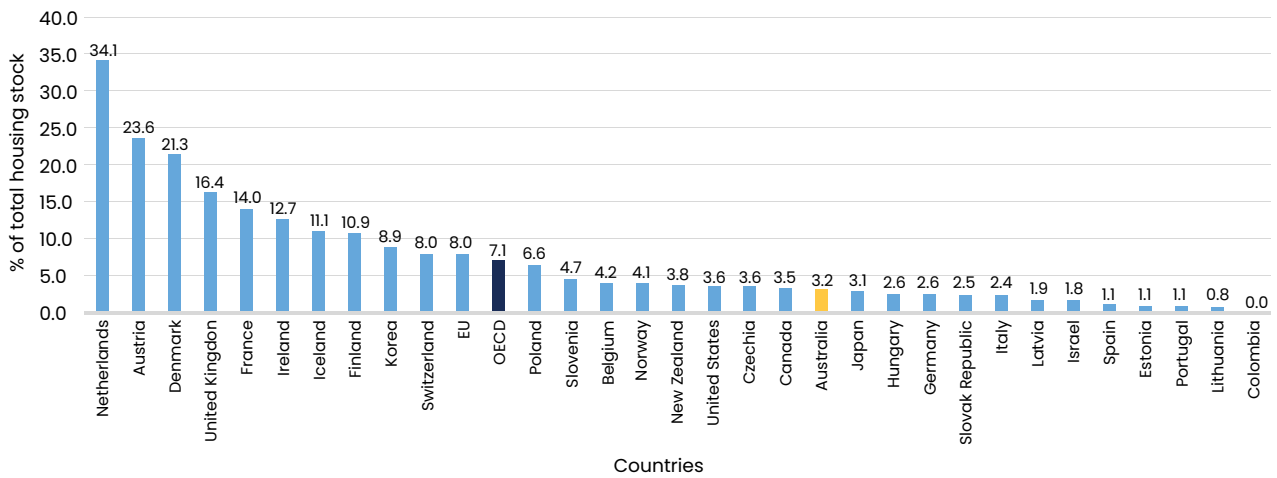
## Underinvestment in social and affordable housing

There is no single cause for the current housing crisis, but low levels of social and affordable housing across the country play a large part.

Australia has significantly reduced its social housing stock since the early 1990s, resulting in increased demand and leaving many vulnerable individuals at greater risk of housing insecurity.<sup>7</sup> Australia's investment in social housing lags behind comparable nations, sitting at 3.2% against an OECD average of 7.1%.



## OECD countries, social housing stock



As direct government investment in social housing declined, and waiting lists soared, the community housing sector emerged to fill this gap. CHPs have evolved to provide social and affordable housing in collaboration with both government and non-profit organisations, bolstered by initiatives such as the National Affordable Housing Agreement (NAHA) in 2009 and the Housing Australia Future Fund (HAFF) in 2023.

However, despite the huge and growing need for more community housing, CHPs are still operating at only a fraction of their potential.





# The current impact of Community Housing Providers



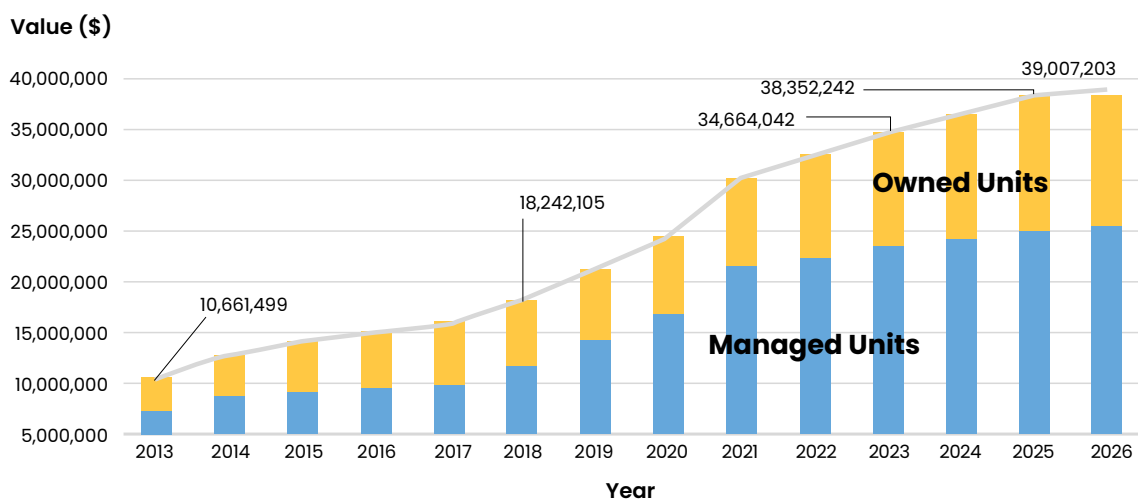
PowerHousing Australia members currently account for over 80% of all social and affordable housing across the country. In a very challenging economic environment, our members have continued to grow and today provide safe and secure homes to over 150,000 people in Australia.

One key factor that makes PowerHousing members critical to the housing sector is that they are scale not-for-profits. Our 38 member CHPs focus on delivering growth but are motivated by social impact, not profit margins, with revenues reinvested into additional housing and social outcomes.

The ability of CHPs to deliver best practice outcomes for tenants and provide affordable housing services through a sustainable business model of reinvestment for social purpose has helped the community housing sector to grow rapidly in the last decade.

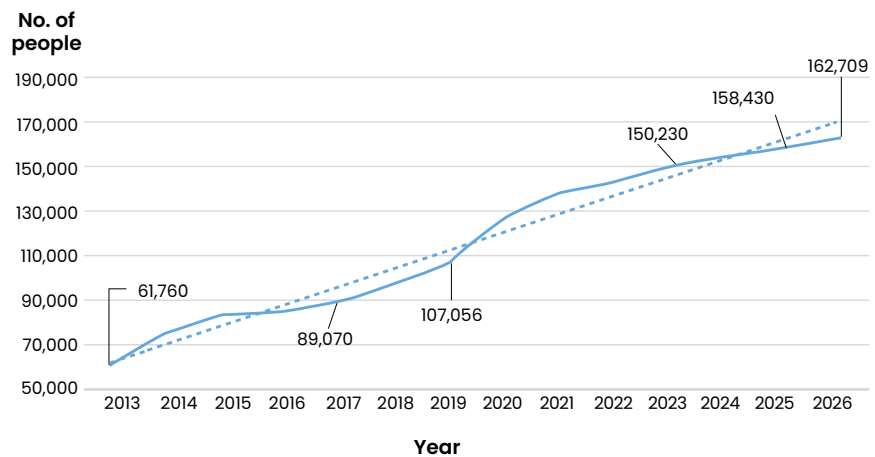
The number of community housing homes has increased substantially between 2011 and 2021, from 57,500 to 90,000 dwellings. From 2013 to 2024, the number of units under management (i.e., the units managed by CHPs, which can either be owned by CHPs or partly owned by the government) has more than doubled. The overall value of properties under management by the sector in 2026 is expected to reach \$39.0 billion, up from \$10.7 billion in 2013, more than tripling in value.

**Value of CHP total units  
(owned and/or managed)**



The number of people housed has more than doubled from 2013 to 2023, with CHPs providing homes to over 150,000 people in Australia. This number is forecasted to grow to 163,000 people by 2026, meaning 13,000 more individuals in safe and secure homes. This growth is expected to increase with the recent announcements from Housing Australia Future Fund (HAFF) Round 1 and the impending HAFF Round 2.

## Total number of people housed by CHPs



This existing growth is due to:

## 1. CHPs leverage public private partnerships

Community Housing Providers in Australia have shown that, given the right tools and resources, they can successfully provide housing to those most in need. The success of community housing depends on its ability to form strong partnerships with both government and the private sector. By leveraging public programs and forging innovative partnerships with the private sector, CHPs are uniquely positioned to deliver significant levels of housing at relatively low cost to the Australian public while also prioritising affordability and sustainability.



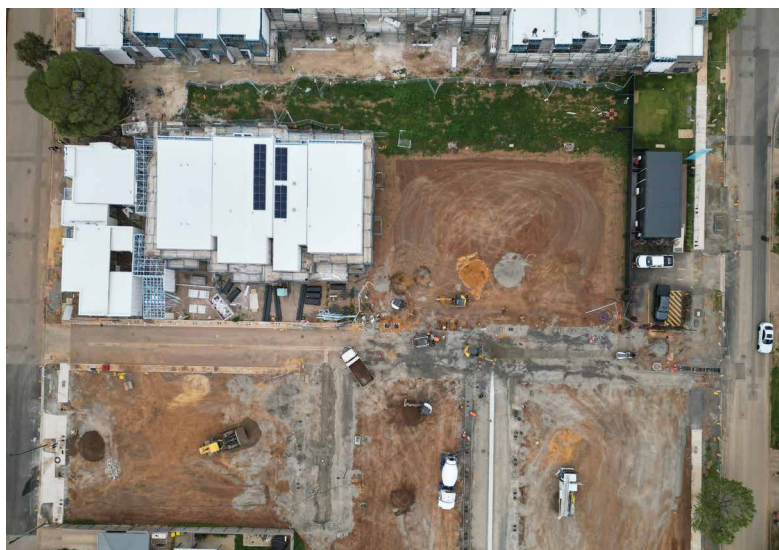
### St George Community Housing and AXA IM Alts partner with Housing Australia for \$300 Million Affordable Housing Project in Westmead

St George Community Housing, AXA IM Alts and Housing Australia partnered to deliver affordable housing through a \$300 million facility. The first project, in Westmead, will build 400 mixed-tenure social and affordable homes, managed by SGCH and developed by Deicorp. Completion is expected by 2025 and will achieve sustainability goals including net-zero operations and a 5-star Green Star rating. This partnership marks a significant collaboration between institutional capital and a CHP.



## Junction and Housing Renewal manage South Australia's largest social housing renewal project

Oaklands Green is South Australia's largest social renewal project located in Oaklands Park. It aims to replace 255 outdated social housing properties with new homes and build more than 500 private homes, of which 15% will be affordable housing. The \$135 million project, managed by Junction Australia and developed by Housing Renewal Australia Oaklands Park, will enhance connectivity, green spaces and community involvement. It is expected to create 1,215 jobs over eight years and deliver economic benefits of nearly \$400 million.



*Oaklands Green development site*

## 2. CHPs work across different levels of government

Community Housing Providers have demonstrated the ability to work strategically and efficiently with all levels of Australian government to deliver projects with accelerated completion timelines.

CHPs are uniquely able to navigate commercial relationships with local, state/territory and federal governments, and can often unlock opportunities unavailable to others, as well as being flexible and achieving speed to completion.

### Argyle Housing – Griffith Green housing development



*Griffith Green townhouses*

Griffith Green is an affordable housing development project that is funded by Argyle Housing, Griffith City Council and the Australian Government's Building Better Regions Fund, totalling \$12 million. The project focuses on providing affordable housing options for key workers in the Griffith community, such as teachers, police officers and nurses. With 20 townhouses and 42 housing lots surrounding Dave Taylor Park, it aims to address the housing shortage in the region that has led to schools, police stations and health facilities unable to attract employees. It also features a community hub and a central green space to foster social interaction and support.

## Housing Choices Australia and EveryOne Homes, a division of Metricon, deliver 15 Homes in just four months

In a remarkable display of efficiency, EveryOne Homes, a division of Metricon, partnered with Housing Choices Australia to complete 15 homes in Werribee within just four months. These homes are part of the Riverwalk Estate under the Victorian Government's Big Housing Build. They feature smart design tailored to maximise small lot potential, offering 2- and 3-bedroom layouts with open living spaces, well-planned outdoor areas and high-quality finishes. Built to Liveable Housing Australia Silver standards with 7-Star NatHERS ratings, the project represents a return to pre-COVID construction efficiency, benefiting both vulnerable residents and future developments.



## Community Housing Canberra (CHC) - Build-to-Rent project to deliver affordable rental homes

The ACT Government, in partnership with Canberra PCYC, CHC, and the Snow Foundation, announced plans for 45 affordable rental homes in Canberra's inner north through a Build-to-Rent project. This initiative is part of a \$60 million Affordable Housing Project Fund aimed at addressing the rental housing shortage. Additionally, 10 social housing units will be provided for at-risk youth, alongside a social enterprise café. The project is aligned with the ACT Government's goal to deliver 600 affordable rentals by 2026.

*Opening of build-to-rent housing project, photographed from left to right: ACT Housing Minister, Yvette Berry; CHC Australia CEO, Andrew Hannan; PCYC CEO, Cheryl O'Donnell; the Snow Foundation's, Carolyn Ludovici; and PCYC President, Peter Macfarlane.*



### 3. CHPs address a wide range of social needs through housing provision

Community Housing Providers create appropriately located, sustainable, community-focused developments. CHPs understand that housing is not just about the physical structure, but creating a space where residents can build their capacity and connections, feel a sense of belonging, and participate fully in their communities.

As non-for-profits they are driven not by the bottom line, but by projects that make sense for communities and deliver positive social outcomes

CHPs can offer housing alongside social support services. In addition to expanding the diversity and range of rental housing available to people on low incomes, community housing organisations also have a strong track record in:

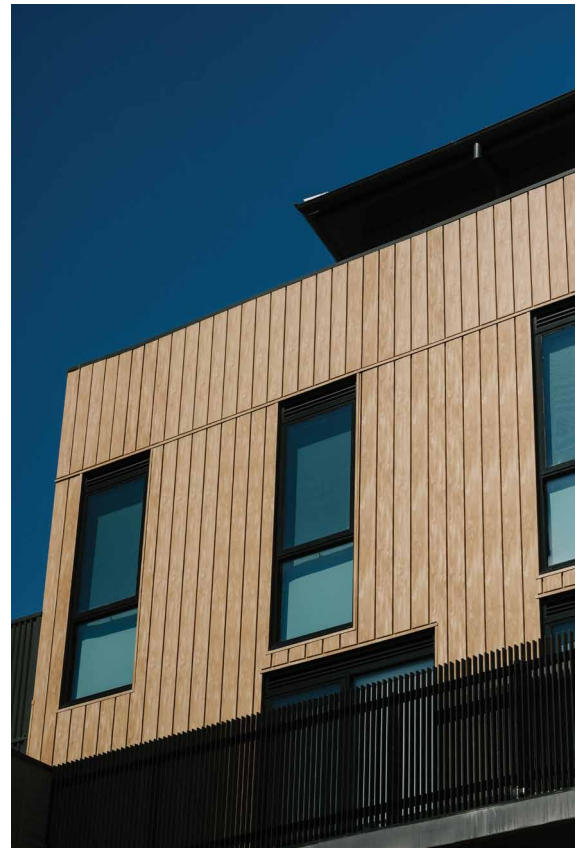
- tailoring housing and services to tenants' needs
- involving tenants in decisions that affect them
- establishing strong links with integrated services or local service providers to sustain tenancies
- integrating housing within local communities.

CHPs offer residents stability of tenure. This has numerous benefits for individuals, families and communities, including huge financial savings, increased social connections and support networks, and uninterrupted access to education, employment and other opportunities.

CHPs can offer different types of housing projects that meet the different needs of Australia's diverse population.

#### Women's Housing Limited – St Albans

The Victorian Government launched a 53-unit development in Melbourne's Western suburbs for women at risk of homelessness. The homes meet the Liveable Housing Design Guidelines Silver standard. They also feature a seven-star NatHERS energy rating, lowering residents' power consumption and bills. Owned and managed by Women's Housing Limited, this project supports vulnerable women, including survivors of family violence, with safe and affordable housing. Delivered in partnership with Homes Victoria as part of the Big Housing Build, the project aims to address housing shortages and improve well-being for disadvantaged women.



St Albans development

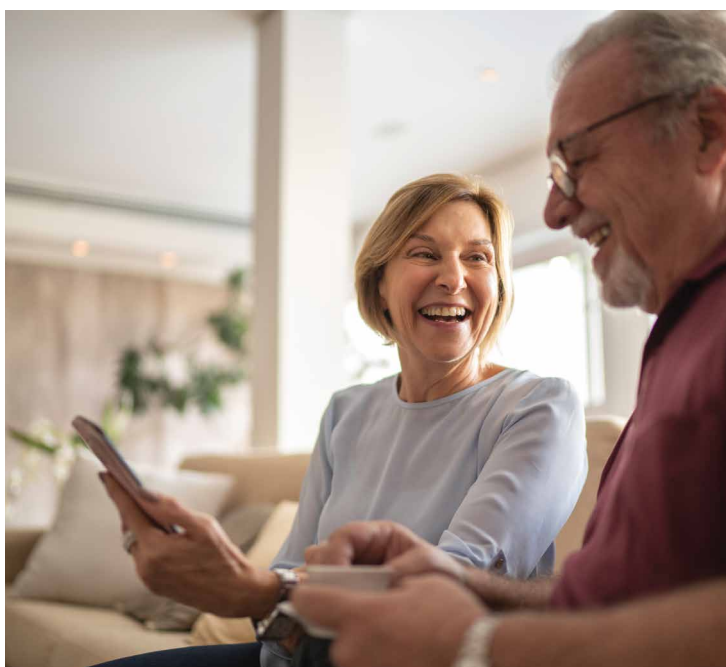
## BlueCHP fill the gap in housing more people with disabilities

The recent opening of Pinaroo Apartments in Lane Cove, Sydney, highlights the success of BlueCHP and For Purpose Investment Partners (FPIP) in addressing the housing needs of Australians with disabilities. This development includes six specialist disability accommodation (SDA) apartments, acquired by FPIP through its Social Impact Fund I. With \$44 million in commitments to SDA projects, FPIP aims to enhance quality of life by providing tailored housing solutions in collaboration with not-for-profit partners.



*Opening of Pinaroo Apartments, photographed from left to right: CEO of BlueCHP, Charles Northcote; Federal Minister for Housing & Homelessness, Clare O'Neil; Bernard ("Paddy"), tenant; Member for Bennelong, Jerome Laxale MP*

## Mission Australia Housing – NSW Tenant Action Group Outreach Program



Mission Australia's NSW Tenant Action Group Outreach Program provides crucial support to tenants facing loneliness and social isolation. By fostering meaningful connections between volunteers and tenants, the program significantly improves well-being. For instance, Peter, a 78-year-old tenant who lost his wife, was deeply affected by isolation until a volunteer began regular visits, helping him reconnect with his community. As Quita, a member of the Tenant Action Group, explains, "In this program, they are not just a tenant, not just a number." This program delivers more than just services; it offers emotional support, a sense of belonging and a stronger community network for vulnerable tenants.

*NSW Tenant Action Group Outreach Program*



## 4. CHPs have strong organisational capacity

Community Housing Providers are regulated entities with boards of the highest acumen and governance with ASIC-like structures and frameworks, making them reliable and sound organisations. Our CHPs are financially literate and responsible, as evidenced by the expertise and career trajectories of their C-Suite executives. They can execute plans to achieve financial outcomes while adapting to and working within a rapidly changing political and economic environment.

Growth in employees has accelerated as CHPs increase their resourcing to meet expanding expectations in current and coming years. Structuring for growth includes all levels of employees and management, ensuring organisations meet the additional corporate sophistication required to manage the increased homes and asset growth numbers discussed above.

## 5. CHPs offer innovation and efficiencies across the housing system

PowerHousing Australia's member Community Housing Providers are driven and proactive, exploring innovative ways to deliver housing at scale, such as sustainability initiatives, leveraging technology, and optimising operations.

CHPs have also developed innovative funding models that leverage government grants and subsidies alongside private sector investment, allowing them to maximise the impact of their services while addressing housing shortages.

### BaptistCare boosts efficiency to better serve their tenants with ARGUS EstateMaster

BaptistCare NSW & ACT has been providing personalised aged care and retirement living for over 50 years. Implementing the ARGUS EstateMaster software enhanced its ability to focus on residents. The new system allows BaptistCare to streamline operations, make faster decisions and improve collaboration across teams. This shift enables the organisation to focus more on delivering high-quality services and care for its residents, ensuring that future developments are planned with their needs in mind.

### Safety checks at scale – A resident-centred approach to housing growth

Housing Choices' partnership with Taskforce has enabled the organisation to conduct over 2,800 essential safety checks across its 2,200 properties, whilst also prioritising tenant well-being. Taskforce's approach was to engage specialist plumbers and electricians who were most empathetic to the Housing Choices' tenants. Taskforce minimised disruptions for tenants by rectifying bottlenecks, such as scheduling checks and utilising the same safety products across Housing Choices homes. This resident-focused approach has not only ensured compliance but also helped reduce costs and comfort for tenants, allowing Housing Choices to scale its housing supply more effectively while building trust and goodwill within its communities.

## City West Housing – Creating inclusive housing

The Boronia Apartments development in Bourke Street, Waterloo will provide homes for 74 very low-to-moderate income households, into a part of Sydney where housing demand is extremely high. Additionally, the project helps to provide a safe haven for vulnerable members of our community, allocating up to one-third of apartments to women and children escaping domestic and family violence (DFV). Due for completion in 2025, the development has a strong focus on local amenity and sustainability, containing one ground floor retail tenancy and outdoor communal areas for residents. It is located within walking and cycling distance to a range of community facilities, shops and Green Square and Waterloo train stations.



*Opening of Boronia Apartments, photographed from left to right:  
Federal Minister for Housing & Homelessness, Clare O'Neil & CEO  
City west Housing, Leonie King*



*Susan and her children at their home*

## Believe Housing – Susan's story

Susan, a refugee, struggled to find stability in her new life in Australia. With the support of Believe Housing, she transitioned from renting to homeownership, overcoming barriers to secure a future for her family. With the help of Believe Housing's Home Ownership Seminars, she successfully purchased her rental home. In total, 12 tenants have achieved similar success. This initiative demonstrates how affordable housing and education can lead to long-term financial security and property ownership for tenants.



# The potential impact of Community Housing Providers operating at scale

PowerHousing Australia's member CHPs have already significantly contributed to growth and affordability in Australia's housing stock. However, the current scale of CHP operation does not reflect the size of Australia's housing crisis or the potential growth of CHPs.

This potential has not been fully realised due to policy gaps, funding challenges and the long absence of a strategic role for CHPs within Australia's housing framework.

## 1. More houses and more affordability

Significantly increasing the proportion of community housing to 10% of total housing stock over the next 20 years could be a game changer for both supply and affordability across the housing market.

Given the right levers, community housing providers are poised to put a serious dent in the 1.2 million houses goal over 5 years. Current internal estimations are that CHPs could quickly scale to building at least 20,000 dwellings a year. And unlike others, especially those who build at scale, CHPs have affordability and social benefits built into the equation from the beginning. Together with a focus on the two lowest income quartiles in the country.

The current largest Federal initiative to boost social and affordable housing, the Housing Australia Future Fund (HAFF), is a welcome and much needed initiative. However, with a goal of delivering 40,000 new dwellings within its first five years, HAFF alone falls short when measured against the staggering unmet needs of over 500,000 Australian households.


With a more supportive policy landscape, we believe the size of our impact could grow to be genuinely commensurate to the housing problem facing Australia.

## 2. Sufficient supply of social housing

Sufficient levels of social housing would have a profound effect on Australian society.

It would ensure that our society is able to achieve functional zero homelessness where there are enough houses for all.

It would remove housing instability for all or most people in Australia could address one of the root causes for currently entrenched negative social cycles such as incarceration, family violence, and unemployment. Stable and safe housing, alongside appropriate support services, can offer thousands of people in Australia a pathway to a better life.



**“Non-market housing, such as social housing and affordable housing, is essential infrastructure. It reduces homelessness and the incidence of poverty, supports economic productivity and labour market participation, and fosters more cohesive and sustainable communities”**

*The State of the Housing System 2024, National Housing Supply and Affordability Council*



### 3. Sufficient in supply of affordable housing

Affordable housing is key to creating functional local economies, liveable cities, and inclusive, cohesive communities.

Sufficient affordable housing – that is subsidised rentals managed and owned predominantly by Community Housing Providers – would have far reaching impacts across Australia's housing market and society.

The majority of key workers would be able to live near their work.

Young people would have housing stability as they secure steady employment, enabling them to transition into the private rental market.

Young families would have the security they need to save for a house deposit more quickly than in the competitive private rental market.

Individuals and families would be more likely to remain in their existing communities – close to family and friends and with reduced interruptions to education and employment.

Homelessness and housing insecurity would be significantly addressed by creating pathways and diverse options to stable, long-term affordable rentals.

### 4. Stability across the housing market

PowerHousing Australia believes that a significant increase in quality social and affordable housing stock could have a profound impact on housing affordability and stability across the private market.<sup>8</sup>

As affordable housing becomes more accessible, there is reduced competition in the private rental market, which will reduce rental prices for low to middle income earners.

### 5. Broader social and economic benefits

Sufficient social and affordable housing is tied to a range of economic and social outcomes.

Providing stable homes through CHPs reduces healthcare costs by lowering the incidence of stress-related illnesses, chronic disease management and emergency hospital visits. Studies show that access to social and affordable housing significantly improves health outcomes, particularly for those with infectious diseases, chronic illnesses, injuries, poor nutrition and mental health issues.<sup>9</sup>

Targeted CHP provision of affordable housing in regional areas could have wide ranging benefits. It could help revive struggling towns ensuring housing is available for much needed essential workers. This has flow on effects to other government priorities such as ensuring there are enough workers in regional areas to build energy transition infrastructure needed to achieve the net zero goals.

An increase in the size and stability of the community housing pipeline would support a stronger construction industry. It would enable a foundational consistent workload across the construction sector, leading to more efficient supply chains and increases in skilled workers through apprenticeships, training and migration pathways.

CHPs would also be able to expand their current track record in piloting and championing modern methods of construction, such as modular, and can build up fledgeling innovative techniques if operating at scale.

# Pathway to success

## There is no single pathway out of Australia's current housing crisis.

However, PowerHousing Australia's Community Housing Provider members represent a significant opportunity for Australia to move towards sufficient housing supply levels while also ensuring affordability for all is at the heart of our housing market.

**PowerHousing Australia is calling on all sides of Government to commit to the following policies:**

### 1. Ensure that 1 in 10 houses in Australia are social or affordable by 2045

- a. Commit to a target of 1 in 10 homes designated as social and affordable housing, with an annual delivery minimum of 20,000 homes until 10% of the housing market is reached.
- b. Secure dedicated funding from federal and state budgets specifically for the expansion of social and affordable housing, with innovative financing options, such as sub-debt, to leverage additional capital.
- c. Implement a streamlined, unified National Regulatory System for Community Housing that is adapted to reflect contemporary practices in line with accessing institutional capital and enable the use of sub-debt financing to reduce public sector debt exposure.

### 2. Establish a 20-year Housing All Australians Plan with a clear and measurable implementation roadmap

- a. Reform the National Housing and Homelessness Agreement (NHHA) to assertively move Australia beyond the housing crisis, focusing on both metro and regional areas.
- b. Define clear incentivised roles and responsibilities for federal, state and territory, and local governments including agreements on debt and shared risk appropriation with State & Federal Government.
- c. Set specific targets for various housing types, including social and affordable housing
- d. Include a goal of functional zero homelessness, ensuring that there are more homes than people who are homeless and providing sufficient access, supports and housing options.
- e. Develop consistent, state-level fast-tracked planning processes for social and affordable housing projects, similar to the process implemented in the 2009 Rudd Government Stimulus.



### 3. Recognise social and affordable housing as social infrastructure

Social and affordable housing has a risk profile more suited to infrastructure, as it is a long-term investment for economic and community benefit. The financing structures that support social and affordable housing are aligned with infrastructure investment and returns.

#### **It would do so by providing:**

- Greater access to capital markets;
- Lower cost of capital; and
- Alignment with corporate social responsibility.

As well as attracting the right type and levels of investment, classifying affordable rentals as essential infrastructure is a strong signal to decision makers and the public that community housing is not a safety net, but a critical part of a fair and prosperous society.

This shift could also be reflected through structural and process changes to align community housing with broader infrastructure planning, ensuring community housing needs are integrated into overall city and community planning together with major developments.

### 4. Enact consistent and predictable government programs to support CHPs

Consistent and predictable funding would enable CHPs to plan and execute significant project pipelines with institutional capital effectively.

- a. As an initial step we are calling for the Housing Australia Future Fund to be turbocharged, with at least quadruple the current investment.

HAFF should also be transformed into a consistent annual long-term program open to submissions at any time, similar to the UK Affordable Housing Programme, which establishes clear benchmarks and time and cost efficiencies.

- b. Housing Australia should be supported to increase its risk appetite, thereby facilitating CHPs to increase the scale of debt and equity attracting long-term private institution investment.
- c. Consistent government investment is needed for programs that fund additional capacity building for residents of social and affordable housing to transition to private rental markets or home ownership, such as shared equity schemes and rent-to-buy options.
- d. Finally, we are calling for incentivised collaboration between CHPs, private landlords, and developers to create seamless transition options along the housing continuum resulting in flow through to the broader housing market.

### 5. Implement complementary policy reforms

PowerHousing is supportive of a range of related policy reforms that would create a better environment for tackling supply and affordability. In particular:

- a. Adjust capital gains tax to encourage long-term investments in social and affordable housing.
- b. Investigate a tax credit/off-set system to facilitate further investment in new social and affordable housing supply.
- c. Better coordination between federal, state, local governments to overcome hurdles such as zoning and infrastructure.





## Conclusion

It is time for housing solutions to properly match the size of our housing problem.

Working with the community housing sector as a vehicle for driving new housing outcomes would enable government to unlock immediate as well as future developments and supply while ensuring long-term affordability and reinvestment.

Community Housing Providers have a proven track record of delivering significant housing supply and diverse housing solutions, from crisis and social housing for those most vulnerable to affordable housing for low to moderate (lowest 40%) of income earners. Providers stand ready to continue unlocking significant supply, increase in scale, take on debt and invest in maintaining long-term affordable rental homes.

Recognising social and affordable housing as valued social infrastructure and significantly increasing overall supply to 1 in 10 homes would alleviate the housing crisis and provide substantial social and economic benefits, including reduced healthcare costs, lower homelessness rates and improved social cohesion.

This is not just an aspiration—it's a strategic necessity.

Re-gearing our housing system so that 1 in 10 of all homes are social or affordable housing is fundamental to moving towards a housing market that has ample supply, while also supporting stable, connected and healthy communities; and a fair and prosperous Australia for all.



## References

<sup>1</sup> AHURi, 2023, The new normal: changed patterns of dwelling demand and supply, <https://www.ahuri.edu.au/research/final-reports/399>

<sup>2</sup> Nygaard, C., 2022, Cost of Inaction: Social and economic losses due to the social and affordable housing shortage, Centre for Urban Transitions, Swinburne University of Technology

<sup>3</sup> ANZ-CoreLogic, 2024 Housing Affordability Report, <https://www.anz.com.au/content/dam/anzcomau/news/articles/2024/September/corelogic-sept-24.pdf>

<sup>4</sup> Anglicare Australia, 2024, Rental Affordability Snapshot, National Report, <https://www.anglicare.asn.au/publications/2024-rental-affordability-snapshot/>

<sup>5</sup> ABS, 2023, Estimating Homelessness: Census, <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>

<sup>6</sup> Commonwealth of Australia, 2023, Intergenerational Report 2023, <https://treasury.gov.au/publication/2023-intergenerational-report>

<sup>7</sup> AIHW, 2024, Housing assistance in Australia 2024, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists#Supply>

<sup>8</sup> Housing Europe, 2021, The economic benefits of affordable housing, <https://www.housingeurope.eu/blog-1539/new-study-the-economic-benefits-of-affordable-housing>

<sup>9</sup> Krieger J, Higgins DL, 2002, Housing and health: time again for public health action, Am J Public Health, May; 92(5):758-68









# PowerHousing Australia Members



# Associate Affiliates

PowerHousing Australia would like to thank all of its contributors, with special acknowledgment to our Corporate Affiliates reflected on the back page and Associate Affiliates listed below.

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