

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Budget Policy Division

Question No: 274

Topic: Budget Measure 17/18 - New National Housing and Homelessness Agreement: Renewal of public housing stock and transfers to the community housing sector

Reference: Written

Senator: Cameron, Doug

Question:

1. What is meant in the Fact Sheet accompanying this measure by 'renewal' of public housing stock? Does it mean the creation of new stock, replacement of public housing stock transferred to community housing or maintenance of existing stock?
2. The focus of the government in relation to the affordable housing measures in the Budget seems to be entirely on affordable housing and key worker housing for low to moderate income earners. Where does the budget focus on people with high needs; the working poor and people on income support who are on public housing waiting lists?
3. Is it the government's position that the NHHA will make up for long-term shortfalls in investment by the States in their public housing stock?
4. By what mechanism would the NHHA facilitate transfers of public housing stock to the community housing sector?

Answer:

1. The renewal of public housing stock could include:
 - the replacement of existing public housing with new stock, possible increasing the number of dwellings, with an improved composition that better reflects the demographics of public housing tenants, and/ or
 - the improvement of existing public housing stock.
2. At Budget 2017-18, the Australian Government committed to:
 - encouraging State and Territory governments to renew public housing stock, and increase the supply of affordable and community housing, through the NHHA;
 - an additional \$375 million over three years from 2018-19 in new indexed funding for front line homelessness services, particularly vulnerable young people and those affected by domestic and family violence.
 - establishing a National Housing Investment and Finance Corporation which will offer reduced cost finance for community housing providers, noting that the community housing sector plays an important role in delivering social and affordable housing, and frontline services to those most in need;
 - invest \$10 million over 10 years in social impact projects that will deliver innovative approaches to reducing homelessness; and
 - providing \$6 million to expand the 'Homes for Homes' initiative, which encourages homeowners and organisations involved in property transactions to

donate 0.1 per cent of a property's sale price to fund social and affordable housing projects.

3. The Australian Government has indicated its intention that the NHHA will reward States that meet housing supply targets that better keep pace with demand, including targets for social housing. Social housing includes both public and community housing dwellings where rents are based on a proportion of a tenants' income (usually between 20 and 30 per cent). The terms of the NHHA are subject to negotiation between the Australian Government, and the State and Territory governments.
4. The terms of the NHHA are subject to negotiation between the Australian Government, and the State and Territory governments.