



5 REFORMS to deliver more affordable housing and end homelessness

For decades, Australia has been failing to meet the housing needs of its lowest income residents, and the situation has been getting steadily worse. There is no better opportunity than the present to make positive changes.

A coherent national strategy to deliver more affordable housing and end homelessness

We need a strategy that will deliver reforms across the taxation, income security, social housing and homelessness systems, driven by a Cabinet-level minister with authority to coordinate, and supported by strong government and community sector institutions. There are five key reforms that we believe are priorities for this strategy.

REFORM 1:

Significant growth in public and community housing and other affordable options

Parties should commit to developing an Affordable Housing Growth Fund starting with \$750 million in the first year, growing to \$15 billion over 15 years. This funding should be explicitly for expanding the stock of affordable housing to provide real alternatives for low income Australians locked out of home ownership. The funds should be deployed in tandem with strategies to attract private investment into the affordable housing sector, with the precise means for this to be informed by the current policy process being managed by the Affordable Housing Working Group.

REFORM 2:

National Homelessness Strategy and Plan

Parties should commit to a renewed plan to halve homelessness by 2025, which addresses the drivers of homelessness, rapidly rehouses people who are homeless, and provides adequate and flexible support for those needing help to sustain housing. A recommitment to this target for reducing homelessness, should be integrated with a wide range of strategies which provide housing and address known risk factors leading to homelessness.

REFORM 3:

Reform the tax treatment of rental housing

Parties should commit to limit the offsetting of losses on investments in rental properties purchased after a specified date to income from those assets, rather than the investor's other income. Capital Gains Tax discounts should also be lowered. Part of the revenue saved from this measure should be used to introduce a two-tier rental housing investment incentive to support the creation of affordable rental housing.

REFORM 4:

Increase Commonwealth Rent Assistance

In order to reduce the number of Commonwealth Rent Assistance recipients in housing stress, the maximum rate of payment should be increased by 30%, and it should be indexed to the rental component of the CPI.

REFORM 5:

Address the shortfall of appropriate, affordable housing for people with disabilities

In the context of the introduction of the National Disability Insurance Scheme, the Commonwealth and State Governments need to work with the community housing sector to develop a ten year plan to deliver 16,000 new units of specialist disability housing and improve the capacity of other parts of the mainstream housing system to cater for people with disabilities.