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## 23 August 2022

Select Committee on Estimates
Mr James Milligan (Chair)
Mr Andrew Braddock (Deputy Chair)
Dr Marisa Peterson
Legislative Assembly for the Australian Capital Territory

Via email: LACommitteeEstimates@parliament.act.gov.au

Dear Committee,

## Response to Question on Notice (1): Funding for 400 additional homes

Question: In ACTCOSS's view, is \$30million for additional public housing enough funding to secure the 400 additional homes that have been promised (in the parliamentary agreement)?

Answer: ACTCOSS certainly welcomes the additional funding for public housing allocated in the 2022-23 ACT Budget to cover the increasing costs of construction. However, overall investment in social and affordable housing is insufficient to meet the needs of Canberrans and to address rising rates of housing insecurity and homelessness.

As at 30 June 2020, social housing households made up 6.7% of all ACT households. This proportion – or social share – of households has been declining since 2014 when it was 7.6%. As at 7 March 2022, there were 3,028 applications for social housing in the ACT, with the average waiting time for standard housing being

AIHW, 'Table SOCIAL SHARE.1: Social housing households and all Australian households, by states and territories, at 30 June 2010 to 2020' [data tables], *Housing Assistance in Australia, 2021*, accessed 8 July 2021

<sup>&</sup>lt;sup>2</sup> AIHW, 'Table SOCIAL SHARE.1: Social housing households and all Australian households, by states and territories, at 30 June 2010 to 2020' [data tables], *Housing Assistance in Australia, 2021*, accessed 8 July 2021.

1,585 days or 4.3 years.<sup>3</sup> Since 5 July 2021, the number of applications had increased by 540 (21.7%) and the waiting time for standard housing has increased by 317 days (25.0%).<sup>4</sup>

ACTCOSS has welcomed the ACT Government's commitment under the Parliamentary and Governing Agreement to deliver an additional 400 public housing dwellings by 2025 and 600 additional affordable housing dwellings by 2025-26.<sup>5</sup> However, this commitment falls well short of our community's need for social and affordable housing. It has been estimated that the ACT has a current shortfall of 3,100 social housing properties, with 8,500 additional social housing dwellings needed by 2036 to meet the ACT's current and projected need for rentals (usually pegged at 25% of income) that are affordable for those on the lowest incomes.<sup>6</sup> Further, it has been estimated that there is a current shortfall of 2,400 affordable housing dwellings in the ACT, with 3,400 additional affordable housing dwellings required by 2036 to meet our current and projected need.<sup>7</sup> This underscores the need for the government to increase investment in this area.

In short, the number of public houses has declined over the last seven years but the demand for housing has increased alongside rising costs of living.

ACTCOSS would like to see further investment in community housing providers and a review of the ACT Housing Strategy to ensure that the ACT Government is using its resources to obtain good outcomes for vulnerable people and those on low incomes as effectively and efficiently as possible.

Yours sincerely,



Dr Emma Campbell
Chief Executive Officer

Email:
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ACT Government Community Services Directorate, <u>Social Housing Waiting List</u>, ACT Government Community Services Directorate, 7 March 2022, accessed 21 April 2022.

<sup>4</sup> ACT Government Community Services Directorate, <u>Social Housing Waiting List</u>, ACT Government Community Services Directorate, 5 July 2021, accessed 8 July 2021.

<sup>5</sup> ACT Government, <u>Parliamentary and Governing Agreement – 10th Legislative Assembly for the Australian</u> Capital Territory [PDF], ACT Government, 2020, accessed 2 May 2022.

<sup>6</sup> J Lawson, H Pawson, L Troy, R van den Nouwelant & C Hamilton, <u>Social housing as infrastructure: an investment pathway</u>, AHURI Final Report 306, Australian Housing and Urban Research Institute Limited, 2018, p 63, accessed 22 June 2021.

<sup>7</sup> L Troy, R van den Nouwelant & B Randolph, <u>Estimating need and costs of social and affordable housing delivery [PDF]</u>, UNSW City Futures Research Centre, Sydney, 2019, p 3, accessed 29 March 2022.