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HIA Supports Federal Government's Focus on Housing

The Housing Industry Association, the voice of Australia's residential building industry supports the Turnbull Government's focus on improving housing affordability, including increasing affordable rental stock, and reducing the costs of new housing supply.

"Housing affordability is a dominant policy issue in 2017, but it is also a complex one," said HIA Chief Executive - Industry Policy, Ms Kristin Brookfield.

"A suite of policies to address the challenging housing affordability conditions are required and these policies need to come from the Federal government, state governments, and from cooperation between the two levels.

"Establishing a mechanism that enables institutional capital to fund investment in affordable housing is a good step. In this regard, the 'bond aggregator' model which increases the social and community housing sector's capacity to access capital should enable the sector to provide a larger quantity of affordable housing.

"As the Treasurer rightly pointed out, there is 'no silver bullet' to solve Australia's housing affordability challenges. The long-term objective must be to ensure that there is an appropriate supply of new housing that meets the needs of a growing population. A 'bond aggregator' can be part of the solution for the social and community housing sector, however policy makers must not ignore the existing impediments to housing supply more broadly.

"A well-designed housing infrastructure fund must also be part of the Federal government's considerations. Additional housing stock cannot be brought to the market efficiently, including for projects funded through the 'bond aggregator', if there is a lack of investment in the critical infrastructure that supports new housing development.

"Planning for the timely provision of infrastructure and the supply of new housing is a crucial aspect of improving housing affordability. In this respect, we welcome the Treasurer's comments which acknowledge the important role that a more sophisticated information and research base can play in improving efficiency in the supply of new housing.

"It was pleasing that the Treasurer specifically noted the importance of stable tax policy settings as they apply to negative gearing. This reaffirmation of the government's position on this issue should provide residential property investors with one less concern in the lead up to this year's federal budget," concluded Ms Brookfield.

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