



## National Housing Agreements

### Policy Background

- While most Australians can rent or buy through the private market, there continues to be many who because of illness, lack of employment opportunities or family situation are unable to generate sufficient income or assets to buy or rent in the private market.
- Since 1945, successive Australian governments have provided specific funding for social housing through a series of Commonwealth-State Housing Agreements (CSHA) and direct rent assistance to households renting privately.
- In 2007, following the election of the Labor government there was significant attention given to housing issues by both federal and state governments. A renewed Commonwealth State Housing Agreement was ultimately agreed to by the Council of Australian Governments and commenced on 1 January 2009 that operated until 2018.
- The intention of the NAHA is to confirm a whole-of-government approach in tackling the problem of housing affordability.
- The Commonwealth Government is currently working with the states and territories to reform the NAHA and provide ongoing, indexed funding for under the National Housing and Homelessness Agreement (NHHA) from 2018-19, to improve the supply of new housing and improve housing and homelessness outcomes for all Australians across the housing spectrum.
- The new NHHA will combine funding currently provisioned under the National Affordable Housing Specific Purpose Payment (NAHSPP) and the National Partnership Agreement on Homelessness (NPAH) and will provide around \$1.5 billion per annum to state and territory governments from 2018-19.
- Under the new NHHA, funding to state and territory governments will target specific priorities in each jurisdiction including supply targets, planning and zoning reforms and renewal of public housing stock, while also supporting the delivery of frontline homelessness services.
- The NHHA is supported by separate National Partnership Agreements on:
  - social housing;
  - homelessness;
  - Indigenous Australians living in remote areas.

### Policy Issues

- The continued importance of a Rent Assistance Program in the delivery of housing assistance for low and moderate income households is a reflection of the fact that the residential housing market is able to offer a range of private rental housing choices that may suit low income households with the support of government rent assistance.

- There will always be a need for supply-side responses under by governments to deliver public housing options and not-for-profit community housing options where the private rental market is not affordable, such as in the case for remote communities, accommodation for people with disabilities and rental housing in high cost areas of major cities.
- Governments continue to own and manage a stock of public housing accommodation across Australia Previous policies have resulted in public ownership of some 400,000 dwellings, a substantial national asset that should be utilised efficiently. However, the level of funding under the CSHA - which is the major provider of capital funds for stock additions or renovations to the existing stock of public housing - has fallen in real terms throughout the last decade.
- A national housing agreement remains an important government policy in relation to the support for housing, both public and private, in Australia. The agreement locks in the Commonwealth and the states to addressing housing issues in a long term and committed manner.
- Whilst the focus of each agreement has changed based on priorities of the day, the fundamental aspect remains that the Federal government provides significant funding for public housing and its expenditure should be transparent and those receiving funds should be accountable for reporting on the delivery of housing solutions for low and moderate income housing.

### **HIA's Policy Position on National Housing Agreements**

1. HIA supports the continuation of a National Housing Agreement between the Commonwealth, states and territories as a means to allocate appropriate ongoing funding for the purchase, construction or retention of public housing.
2. A National Housing Agreement should include appropriate annual benchmarks and reporting requirements on all states and territories to ensure that all agreed commitments, such as meeting supply targets or delivering planning and zoning reforms, are measured and achieved.
3. HIA supports the establishment of national housing programs that work to increase the supply of housing available to low and moderate income households, such as the use of public private partnership, joint ventures, the national rental affordability scheme, the housing affordability fund and new home buyer programs such as Land Rent and Keystart.

Note: HIA's Housing Affordability Policy provides additional background to this policy.