



NSW SOCIAL JUSTICE STATEMENT

RESTORE THE HOUSING SAFETY NET

OUR VISION

Everyone should have a decent and affordable place to call home. A home that is safe, secure, and well maintained. A home that is close to the things in life that are important to them - families, work, school, services. When people face tough times and cannot secure or sustain a home in the general market, they should have access to a social housing safety net that provides them with a solid foundation for a healthy life.

The St Vincent de Paul Society NSW fundamentally believes in this through the social principle of dignity of the human person. This means enabling life and human flourishing and prioritising the well-being of people experiencing poverty and disadvantage in our actions. Providing people in need with social homes and individual support will release them from poverty and create a more inclusive and cohesive society for us all.

OUR RECOMMENDATIONS

The Society NSW calls on the NSW Government to:

a) Restore the social housing safety net for people in housing need by:

- Continuing to invest in a large-scale and sustained social housing expansion program to restore the social housing safety net to 5% in the short-to-medium term growing to 10% of all residential dwellings over the next two decades.
- Continuing to repair and upgrade existing social housing stock, including for energy performance and accessibility.
- Targeting new and upgraded social homes to address Aboriginal housing needs with Aboriginal Community Controlled Organisations central in the delivery of housing and community infrastructure solutions.
- Funding longer-term, flexible wrap-around support services for social housing tenants to improve their wellbeing and build their capabilities to sustain their tenancies so that homelessness is not repeated.
- Increase NSW private rental assistance subsidy rates to reflect the high cost of private rental housing.

b) Prioritise the broad implementation and scaling up of mandatory inclusionary zoning across the state, including by:

- Setting Affordable Rental Housing contribution requirements in the form of completed dwellings or land dedications to maximise public benefit. This should be a minimum of 15% in new private developments and 30% on publicly owned sites.

OUR CONTRIBUTION

The St Vincent de Paul Society NSW is a leading provider of frontline services, with over 100 services state-wide.

We provide 26 housing and homelessness services across NSW to give people access to long-term, safe, and stable accommodation that meets their individual needs. Through our community housing provider, St Vincent de Paul Housing, we provide social and affordable housing with tailored support to meet the needs of the growing number of people locked out of the private rental market. St Vincent de Paul Housing manages approximately 1,400 dwellings in NSW.

Through our conferences, the Society NSW's members assist people experiencing housing stress through material and financial assistance, including support to pay rental bonds, rent assistance, and access to No-Interest Loans (NILS).

- Requiring Affordable Rental Housing dwellings to remain affordable in perpetuity, including by amending s21 of the State Environmental Planning Policy (Housing) 2021.
- Mandating Affordable Rental Housing dwellings to be managed by registered non-profit Community Housing Providers.
- Monitoring and publicly reporting on Affordable Rental Housing delivery under inclusionary zoning programs, including the number of dwellings by LGA, dwelling size, and design requirements.
- Defining Affordable Rental Housing in relation to household income rather than market rent as contained in s13(1)(a) State Environmental Planning Policy (Housing) 2021 and applying this across all affordable housing products.

c) Reform taxation arrangements to bring underutilised land and housing to the market, including introducing a tax on long-term vacant residential properties and transitioning from stamp duty to a broad-based land tax.

The St Vincent de Paul Society NSW urges local councils to:

- Commit to and deliver 10-15% affordable housing targets in local strategic and housing plans.
- Provide incentives for not-for-profit community housing providers to develop more social and affordable housing in their local government areas.

THE CHALLENGE

NSW is in a protracted housing affordability crisis. Housing comprises the single biggest cost of living for people on low incomes. While governments are committed to increasing housing supply, the projected supply will not alleviate our growing housing affordability problem. NSW Housing Accord targets are unlikely to be met and most recent housing growth has been in mid-to-high price range¹. Consequently the proportion of low rent housing has dropped from 60 per cent to only 13 per cent nationally over the past 25 years.²

One of the main ways state and local governments can increase the supply of more affordable housing is through inclusionary housing policies and mechanisms to require or incentivise the provision of 'Affordable Rental Housing'³ as part of private developments when land is rezoned or when planning rules are changed.⁴ In addition to the planning system, taxation also provides another lever for state governments to improve housing affordability, such as the introduction of a broad-based land tax which is fairer and more economically efficient.⁵

At the same time private rental affordability has plummeted, social housing supply has declined relative to population, leading to a severe shortage of social homes across the state. There are close to 58,000 households⁶, over 125,000 people⁷, on the NSW social housing register who can expect to wait at least 5-10 years for a home.⁸ The number of priority applicants has increased by 86% in just five years.⁹ Yet the true extent of need is likely much greater. Estimates range from 132,600¹⁰ to 221,500 households¹¹ with 320,700 NSW households projected to have unmet housing need by 2041.¹²

The current NSW Government has made a historic investment in social housing of \$6.1 billion over four years from 2024-25. This significant investment is desperately needed after decades of neglect that resulted in social housing falling to just 4.5 per cent

THE FACTS

- Sydney is the second most expensive city for housing in the world.
- 58,000 households are waiting for social homes, while up to 221,500 households are in housing need.
- Around 40% of public homes do not meet minimum standards.
- Social housing comprises around 4.5% of NSW residential dwellings, below OECD average of 7%.



CASE STUDY

South Australia's inclusionary zoning scheme resulted in about 17% of new housing supply being affordable housing. By contrast, affordable rental units delivered under the NSW density bonus policy, constituted less than 1% of new supply over a similar period.

of residential dwellings,¹³ well below the 7 per cent OECD average.¹⁴ Much of the existing social housing stock is old, energy inefficient and in need of repair.¹⁵ Existing social housing stock is also unsuited to the changing profile and needs of applicants, with a mismatch of dwelling size, type and location.

The welcome commitment to build 8,400 new or upgraded social homes and to invest in repairs and maintenance must continue to be built upon in future years to securely accommodate the more than 50,000 households that will still be in housing need.

Alongside the urgent need for more, new and upgraded social homes is the need for wrap-around support to assist people in social homes to successfully sustain their tenancies and improve their wellbeing. Several NSW programs have been established in recognition of the importance of combining safe and secure housing with ongoing support to improve wellbeing and deliver sustainable solutions to end homelessness but are limited in their eligibility and scope.¹⁶

While eligible people wait for a social home, the NSW government provides private rental assistance such as bond loans and rent subsidies. But as rental prices skyrocket, the subsidies are no longer enough for people to secure a home in the private market. The number of households assisted with private rental products has declined over 30% in just two years.¹⁷ Income-base subsidy limits must be changed to reflect the rental market.

THE IMPACT

The high cost of housing is forcing people on lower incomes, including our teachers, nurses, police, and cleaners, into the urban fringe and regional areas only to spend hours commuting each day at considerable cost to their finances, their families and their health and wellbeing. This, combined with the lack of social housing, is driving people into homelessness, or to stay with a violent partner, and is entrenching the cycle of poverty. Around half (46%) of people the Society's members assist are experiencing housing stress, forced to make daily choices about whether to pay the rent or put food on the table.

Not only does this impact individual and community wellbeing, but it also costs our economy, projected to be \$445 million a year by 2036.¹⁸ Conversely, every \$1 invested in social and affordable housing is estimated to deliver \$2 in benefits.¹⁹ When social homes are paired with appropriate ongoing support, people are more likely to successfully sustain the tenancy long term²⁰ and there are also significant cost-savings to government from reduced health, justice and social services use, in addition to the savings from reduced homelessness.^{21,22}

We can relieve the pressure on people's lives by creating affordable homes in well located areas close to jobs, schools, services, and transport. Housing policy and regulation should ensure that all people have access to a decent, healthy home at a cost that does not compromise access to other essentials like food and energy. With significantly more development forecast in NSW in the next five years, now is the time to bake-in measures for equitable housing growth that delivers affordable homes for our essential workers and people on low incomes.

FOR MORE INFORMATION

- [Society NSW's housing-related reports and submissions](#)
- [National Council's Housing and Homelessness Policy](#)



MICK'S STORY

Prior to the pandemic, Mick was living with his son in Charlestown when his health took a turn for the worse. He received a cancer diagnosis resulting in him having to undergo chemotherapy treatment. The illness not only impacted his physical and mental health, but it also impacted him financially. Drawing down on his superannuation to pay his rent to keep a roof over his head, he turned to the Society's Matthew Talbot Homelessness Service, where he was offered a three-month stay at the on-site accommodation.

Three weeks later, Mick received the breakthrough he needed when a home at the Society's social housing complex in Cardiff became available for him and his son. The complex provides tenants with quality homes and wrap-around support, located close to shops and transport. "It was a big 'wow' factor when we walked in. It's a brand new two-bedroom apartment with an open plan kitchen and living area," recalls Mick. "It blew me away, it was just fantastic!"

Life has improved greatly for Mick ever since he moved into his new home. Where he used to worry about where he would live in a crushing cycle of submitting rental applications only to be rejected, he now feels part of a community where he can enjoy a barbeque or coffee alongside his neighbours. "In this day and age, where rents are through the roof, it's affordable housing. It's a community, it's everything that you want in a place to live," says Mick.



- ¹ Ong, R., Dalton, T., Gurran, N., Phelps, C., Rowley, S. and Wood, G. (2017) ***Housing supply responsiveness in Australia: distribution, drivers and institutional settings***, AHURI Final Report No. 281, Australian Housing and Urban Research Institute Limited, Melbourne
- ² Reynolds, M., Parkinson, S., De Vries, J and Hulse, K. (2024) ***Affordable private rental supply and demand: shortterm disruption (2016–2021) and longer-term structural change (1996–2021)***, AHURI Final Report No. 416, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/finalreports/416>, doi: 10.18408/ahuri5128501.
- ³ Affordable Rental Housing is a housing product defined in NSW legislation that is for people on very low to moderate incomes where they pay no more than 30 per cent of their gross income in rent.
- ⁴ Gilbert, C. and Zanardo, M. (2024) ***What an Inclusionary Housing Policy Should be: Considerations for Designing Inclusionary Housing Approaches for NSW***. A Research Report for Shelter NSW, Sydney: The University of Sydney and Shelter NSW.
- ⁵ AHURI (2020) https://www.ahuri.edu.au/_data/assets/pdf_file/0019/2944/AHURI_RAP_Issue_160_How-would-proposed-reforms-in-the-Henry-Tax-Review-affect-housing-affordability-for-private-renters-and-property-owners.pdf
- ⁶ 57,904 applicants as at 29 February 2024. NSW Department of Communities and Justice, ***Social housing applicant households on the NSW Housing Register***.
- ⁷ Evidence given by the Department of Communities & Justice in Budget Estimates 2019–2020 advised that multiplying the number of applicants by 2.2 gives the approximate number of people waiting for social housing.
- ⁸ NSW Department of Communities and Justice (2023) ***Expected Waiting Times*** (As at 30 June 2023).
- ⁹ NSW Department of Communities and Justice, ***Social housing applicant households on the NSW Housing Register***, accessed 12 February 2024 and DCJ social housing register wait list 2019 data.
- ¹⁰ National Housing Finance and Investment Corporation (2023) ***State of the Nation's Housing 2022–23***, Australian Government, 101. [As at 31 July 2023]
- ¹¹ UNSW City Futures Research Centre, ***Social and affordable housing: needs, costs and subsidy gaps by region***, December 2022.
- ¹² UNSW City Futures Research Centre, ***Social and affordable housing: needs, costs and subsidy gaps by region***, December 2022.
- ¹³ Based on 155,262 NSW social housing dwellings as proportion of 3,425,600 NSW residential dwellings as at 2023. Source: NSW Department of Communities and Justice, ***Social housing residential dwellings dashboard 30 June 2023***, accessed 12 February 2024.
- ¹⁴ OECD (2022) ***PH4.2 Social Housing Rental Stock***, OECD Directorate of Employment, Labour and Social Affairs - Social Policy Division.
- ¹⁵ Productivity Commission (2024) ***Report on Government Services 2024***, Part G, Section 18: released 22 January 2024, Data Tables (18), Table 18A.41.
- ¹⁶ These include: Together Home program, Youth Foyers, Social and Affordable Housing Fund (SAHF), Sustaining tenancies (SHS).
- ¹⁷ FACSIA (2023) ***Annual Report 2021–22***, DCJ Statistics, <https://public.tableau.com/app/profile/dcj.statistics/viz/ASR2021-22Housingpage2/Housing-tempaccomm>
- ¹⁸ Nygaard C. (2022) ***Cost of inaction: Social and economic losses due to the social and affordable housing shortage***, Centre for Urban Transitions Swinburne University of Technology.
- ¹⁹ SGS Economics & Planning (2022) ***Give me shelter: The long-term costs of underproviding public, social and affordable housing, report for Housing All Australians***.
Jackson, A. & Rutting, B. (2023). ***Beyond roads and bridges: Critical social infrastructure for South West Sydney***. NCOSS;
Nygaard, C.A. & Kollmann, T. (2023) ***Social and affordable housing in Australia: A social cost benefit analysis***. Community Housing Industry Association.
- ²⁰ Habibis, D., Atkinson, R., Dunbar, T., Goss, D., Easthope, H., and Maginn, P. (2007) ***A sustaining tenancies approach to managing demanding behaviour in public housing: a good practice guide***, AHURI Final Report No. 103, Australian Housing and Urban Research Institute Limited, Melbourne.
- ²¹ Zaretzky, K., and Flatau, P. (2015) ***The cost effectiveness of Australian tenancy support programs for formerly homeless people***, AHURI Final Report No. 252, Australian Housing and Urban Research Institute Limited, Melbourne.
- ²² KPMG (2019), ***Education First Youth Foyers: Economic Evaluation***, Brotherhood of St Laurence, Melbourne.

ACKNOWLEDGEMENT OF COUNTRY

The St Vincent de Paul Society NSW acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of this land, with deep respect. May Elders, past and present, be blessed and honoured. May we join together and build a future based on compassion, justice, hope, faith, and reconciliation.

St Vincent de Paul Society NSW is a lay-Catholic member and volunteer-based organisation that has been assisting people experiencing disadvantage and hardship in NSW for over 140 years. Our aspiration is an Australia transformed by compassion and built on justice.



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good works

NSW SOCIAL JUSTICE
NETWORK

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