

**Question on Notice
No. 524
Asked on 16 April 2008**

MRS SULLIVAN asked the Minister for Public Works, Housing and Information and Communication Technology (MR SCHWARTEN)—

QUESTION:

How is the department coping with the influx of people wanting Department of Housing homes and what assistance is the Federal Government able to provide?

ANSWER:

As the Member is aware from my many statements in the House the Department of Housing has been trying to deal with ever-increasing waiting lists for social housing for several years, primarily as a result of rapid increases in home prices and private rents and Federal Liberal Government neglect.

A decade of neglect from the former Australian Government impacted on the expansion of social housing to keep pace with demand. The Australian Government expenditure on the CSHA assistance declined by 25.1% between 1996-97 and 2005-06 (Productivity Commission Report, 2007, P. 16.5). Now we are seeing people with no alternative but to seek social housing from the State as they are forced out of unaffordable private rental accommodation.

I welcome the new Australian Government's intention to work collaboratively with the States and Territories to develop a broad based National Affordable Housing Agreement to secure the viability of the social housing system and to promote housing affordability in the private housing market.

Key initiatives on the Federal agenda include:

- A Housing Affordability Fund—to invest up to \$500 million over five years to reduce infrastructure development and holding cost burdens for up to 50,000 new home buyers.
- A National Rental Affordability Scheme—to invest \$603 million over five years in rental housing for low and moderate income households in housing stress, at 20% below market rents; eventually 100,000 additional private rental properties will be available under this Scheme.
- A National Housing Supply Council—to analyse the adequacy of construction and land supply for the next 20 years.
- A Commonwealth Land Audit—to expedite the release of surplus Commonwealth land by revamping the Commonwealth Property Disposals Policy.
- A 'Place to Call Home' homeless initiative—to halve the number of homeless people turned away from shelters within five years, based on spending of \$150 million to construct 600 additional dwellings.

Work is already underway to implement the Queensland Housing Affordability Strategy, which focuses on streamlining planning approval processes and improving the supply of land for residential development, which will complement the National Rental Affordability Scheme, ensuring that Queensland is well placed to benefit from these important initiatives. Increasing the supply of affordable rental properties is a major priority.

In Queensland 70 households per day are applying for social housing. The Department of Housing is progressively implementing a new strategic direction known as the One Social Housing system which will focus on creating a cohesive and integrated system for providing government-subsidised housing to people in most need for the duration of their need. The new direction will increase the department's capacity to meet this demand.

The department is continuing to investigate a range of assistance products to offer alternatives to eligible clients at the time they seek assistance, and when they exit social housing and transition to the private market.

These products include a RentConnect trial, which will assist Queensland households who are having difficulty finding and securing a tenancy in the private rental market, and the Pathways Shared Equity Loan.

The RentConnect scheme will provide advice and assistance to find and secure a private rental property. A low cost loan will also be introduced to help eligible low income earners with some of the costs involved in setting up a new private rental tenancy.

Initial eligibility assessments have commenced for the department's new Pathways Shared Equity Loan product. The department is contacting tenants and providing application packages to those tenants who express an interest in purchasing their rental homes.

The Rent Start pilot program is another alternative housing solution for waitlisted applicants, providing an opportunity to achieve stability and independence in the private rental market. The Rent Start Pilot commenced on a trial basis during 2006–07 in the Gold and Sunshine Coast regions and expansion to further regions is proposed this year.

The Rent Start pilot is based on a four-year tenancy term where tenants will receive full rent subsidy for two years, followed by two years where the subsidy is decreased and progressively withdrawn.

For the first time in decades the Federal Government has recognised the importance of appropriate and affordable housing and it is working with the States and Territories on housing initiatives to jointly tackle the acute problems we have to face.