

Shelter NSW and the NSW Government 2020-21 Budget. Here is our score card:

<i>Area in Budget & our position towards the Government's commitment</i>	<i>Detail as per Government announcement</i>	<i>Notes and qualifications</i>
'Positive'		
Increased Homelessness support – additional support aimed at 'rough sleepers' pioneered during the pandemic	\$29 million over two years to expand Together Home initiative (transition approx. 800 rough sleepers into secure housing)	This funding will support up to 800 people under this sound program. This is helpful but won't be enough. Homelessness services are already stretched. Deep concern for the growing pool of homeless people forecast to surge as unemployment continues to rise across NSW. A recent report ¹ forecasts that 9,000 more people will be homeless in NSW by June 2021.
Tax reform - intention to replace transactional stamp duty with optional annual land tax		The economic justifications for this reform are recommended by a number of significant reviews. Shelter NSW supports land taxes (over stamp duty) as a more stable form of tax revenue that encourages the more productive use of land. Currently stamp duty acts as a disincentive for homeowners to move, downsize or right size their dwelling in response to a change of circumstance or lifecycle. This has resulted in a mismatch within the housing market between household and dwelling sizes.
'Neutral'		
Modest social housing construction program (new and fast-tracked)	\$250 million over 2 years to deliver 580 new social homes \$150 million to accelerate Airds-Bradbury and Claymore housing estates as well as	There will be \$182.9 million spent on this in 2020-21 (\$400 million over 3 years) ². This commitment does very little to meet the substantial and growing demand for social housing (approximately 50,000 household applications – expected to grow as unemployment increases). Brings forward already announced programs

¹ *A wave of disadvantage across NSW: impact of the Covid-19 recession*, Equity Economics (October 2020)

² *ibid*

	1,000 new land lots for sale to private homes	
Limited expansion of Aboriginal Housing stock (social and community)	More than \$145 million to supply more than 200 new homes as Aboriginal Housing	This funding is over 4 years. \$36.4 million in 2020-21 ³ . Any specific funding is welcomed but also needs to be seen in the context of unmet demand for social and affordable housing. Modelling conducted by AHURI for the Aboriginal Housing Office in October 2017 noted a deficit in NSW at that time of 10,855 social housing dwellings and 13,506 affordable housing dwellings for Aboriginal people (forecast to increase to 30,124 and 34,924 respectively by 2031.) ⁴
Modest social housing upgrade and maintenance program (including Aboriginal housing)	<p>\$200 million to upgrade 3,500 social housing dwellings (including properties managed by CHPs)</p> <p>Almost \$67 million to support Aboriginal Community Housing (ACHP) to undertake maintenance and upgrades.</p>	<p>This commitment is over two years. \$110 million to be spent in 2020-21.</p> <p>Encouraging to see specific investment in the Aboriginal Community Housing sector which is best placed to design and deliver such a maintenance program. Investment is however, over 2 years and insufficient to meet demand.</p>
Modest commitment to housing sector employment programs	\$80 million to support 300 new housing sector pre-apprenticeships, apprenticeship and cadet providing career pathways for young people and social housing tenants	This is a welcome initiative especially if it is specifically targeting the program to social housing tenants. The program does not compare however, to the employment opportunities that may have been created by a large-scale commitment to social, affordable housing construction that could equally have required a similar employment program.
'Negative'		

³ Planning, Industry and Environment Cluster 4-12, NSW Treasury 2020-21 Budget papers

⁴ How can Aboriginal housing in NSW and the Aboriginal Housing Office provide the best opportunity for Aboriginal people? Dr Nicola Brackertz, Jim Davison & Alex Wilkinson for AHUR October 2017

<p>No commitment to specific Affordable Housing programs for essential workers</p>		<p><i>Affordable Housing</i> is housing that is appropriate for the needs of a range of very-low to moderate income households and usually offered as a 'discount to market' and managed by a registered Community Housing Provider.</p> <p>In NSW, there is a great need for affordable rental housing. Private rents remain out of reach for thousands of people (usually employed, paying more than 30% of income on housing. Often regarded as an 'essential workers').</p> <p>The budget makes no commitment at all to expanding this sector and supporting people struggling in the private rental markets on low-to-moderate incomes.</p>
<p>Failure to invest in the growth of the Community Housing Providers (CHPs) sector – an important part of the NSW Government's overall social and affordable housing commitment.</p>		<p>The budget contains no new funding to expand the amount of affordable housing stock managed by CHPs. This sector is well-established and proved its value as a partner to Government. Without additional funding it cannot make a bigger contribution.</p>
<p>Failure to directly support low income renters, especially those affected by COVID-19</p>		<p>Most states have implemented a temporary, targeted rental relief programs to support renters who have suffered a significant financial impact due to the pandemic. The aim has been to reduce the risk of eviction and homelessness. NSW has failed to implement such a program and risks seeing homeless numbers rise as rent deferral payments become due and evictions increase.</p>