

## MEDIA RELEASE

16 September, 2024

### **HAFF funding decision welcome**

Urban Taskforce Australia CEO, Tom Forrest, today welcomed the announcement of funding for 13,700 social and affordable homes through the Housing Australia Future Fund (the HAFF). Funded projects will include 4,220 social and 9,522 affordable homes.

This is the biggest Government investment in social and affordable housing in decades and is a very welcome outcome for the sector. Minister Clare O'Neil has shown decisive leadership and responded to our calls for action last week.

Urban Taskforce also welcomed Ms O'Neil's commitment to additional funding rounds under the HAFF, but cautioned that more needs to be done at the State level to ensure that this funding is not just cannibalising housing that otherwise would have been directed towards market price sales.

The HAFF effectively covers the gap between market rent and affordable housing rent for 25 years, but it does not, in and of its own, contribute significantly to housing stock more generally. Urban Taskforce cautions that producing more market housing is what is critical for the vast majority of the population.

If governments focus their efforts exclusively on delivering "affordable housing and social housing" while ignoring the planning, taxation, feasibility and administrative barriers that face housing supply more generally, they will fail in their quest to increase supply and make housing generally more affordable.

Today's announcement is a salient lesson for State Governments.

The Commonwealth faced a number of hurdles to get this program through parliament. Though it took some time, they have largely delivered funding for their commitments under the National Housing Accord.

Urban Taskforce has been critical of the drag-out in the time taken for today's announcement, with initial announcements having been expected in September and Financial close of the funding offers completed in September 2024, but we acknowledge that this reflects strong demand from Community Housing Providers, working with the development sector, with applications for 50,000 homes submitted.

This strong demand reflects the extent of the problem and the need for significant uplift in housing density to drive up general housing supply.

end

The comments and analysis above can be attributed to Tom Forrest, CEO, Urban Taskforce Australia.

*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*