



**CITY OF MELBOURNE**

GPO Box 1603  
Melbourne VIC 3001  
Telephone (03) 9658 9658  
Facsimile (03) 9654 4854  
DX210487

ABN 55 370 219 287

11 January 2023

Personal and Indirect Tax, Charities and Housing Division  
Treasury  
Langton Cres  
Parkes ACT 2600

Submitted via email to [housing@treasury.gov.au](mailto:housing@treasury.gov.au)

### **Submission to Housing Legislative Package - Housing Australia Future Fund Bill, National Housing Supply and Affordability Council Bill, and Amendment Bill.**

The City of Melbourne (CoM) welcomes the opportunity to participate in consultation on the Housing Legislative Package that seeks to establish the Housing Australia Future Fund and the National Housing Supply and Affordability Council. We commend the Federal Government on their meaningful reengagement with the affordable housing sector. We welcome and support these legislative reforms.

Our City is in the depths of a housing and homelessness crisis. Decades of under-investment in social and affordable housing combined with a growing population, rising housing costs, and the COVID-19 pandemic means there are not enough affordable homes in the city.

Only 2.5% of dwellings in Victoria are social and affordable housing. This is the lowest proportion of all states and territories. Almost 67% of CoM households are renters, and 36% of these renter households are considered to be in rental stress (spending more than 30% of their gross household income on rental payments).

Our [Affordable Housing Strategy](#) is focused on increasing the supply of appropriate, accessible and affordable rental housing across the municipality. The strategy identifies that there are more than 1,725 people experiencing homelessness in CoM (2016 Census) and a shortfall of 6,000 affordable rental homes for people on low and moderate incomes. Without intervention this shortfall of social and affordable housing is likely to increase to approximately 23,200 households by 2036.

The pandemic significantly impacted our City and exposed existing vulnerabilities within our housing market. Social and affordable housing plays a central role in our ongoing recovery response. Our research shows that for every \$1 invested in affordable housing, the community benefits by \$3 due to worker retention, educational benefits, enhanced human capital, health cost savings, reduced family violence and reduced crime. It is an investment in both essential infrastructure and people that compounds over the long term.

We are committed to addressing the housing and homelessness crisis in our municipality. In 2022, Council established *Homes Melbourne*, a special entity specifically created to reduce homelessness and increase the delivery of safe, secure, and affordable housing. The team brings housing, homelessness and policy experts together to innovate, advocate and collaborate with partners across the housing sector. In addition, it includes philanthropic professionals to assist with the funding and delivery of homelessness and affordable housing projects.

## Feedback on the Housing Legislative Package

CoM is generally supportive of the proposed Bills, and have prepared the following comments for consideration:

1. We encourage a minimum annual disbursement from the Housing Australia Future Fund (HAFF) be established to ensure a continued funding stream of investment to the affordable housing sector.
2. We encourage the proposed maximum annual disbursement from the HAFF grow with the consumer price index to ensure suitability over time.
3. We request additional detail be provided on key terminology such as 'frontline workers' and 'affordable housing'. Who is defined as a frontline worker, what is considered affordable housing, and will there be income limits associated with these workers and housing types?
4. We request reports and data collated by the National Housing Supply and Affordability Council (NHSAC) be publicly available and published at national, state, metropolitan and local government scales.
5. We request further guidance be provided on the most effective role for local government in collaborating with the NHSAC and brokering affordable housing outcomes to facilitate shared learnings and optimising outcomes at each level of government.
6. We encourage the National Housing and Homelessness Plan integrates the approaches of federal, state and local governments to resolve issues and form partnership across all three levels of government.

Due to the timing of the consultation period, this submission has not been formally endorsed by City of Melbourne Councillors. This submission is prepared on behalf of Management, and is in accordance with the intent of the City of Melbourne [Affordable Housing Strategy](#).

We are a willing partner and extend the invitation to work with you on pilot projects that link federal, state and local government policy aspirations. We commend you on these legislative reforms and look forward to collaborating with you to achieve excellent outcomes for our community.

Yours sincerely,



**Vijaya Vaidyanath**  
CEO Homes Melbourne

Phone 9658 7209  
E-mail [vijaya.vaidyanath@melbourne.vic.gov.au](mailto:vijaya.vaidyanath@melbourne.vic.gov.au)  
Website [www.melbourne.vic.gov.au](http://www.melbourne.vic.gov.au)

CoM reference DM16112778