



NSW Budget
Rising property prices leaving thousands homeless while Government squanders windfall
22 June 2021

The NSW Government is the beneficiary of an unexpected additional \$1 billion in stamp duty from an out of control housing market but has failed to use this windfall to adequately invest in social housing to ensure people on low incomes across NSW do not end up homeless.

While the Government boasts that housing prices in Sydney have surged 20% since the start of the pandemic homelessness services throughout NSW are struggling with increased demand due to rising rents for people on low incomes and low vacancy rates in many areas of NSW. Homelessness services are turning away more clients than they can support in crisis accommodation and 2 in 3 clients are unable to access long term housing even when supported by a homelessness service. In June 2020 the priority wait list for social housing grew by over 800 applicants.

‘The expansion of the Together Home supportive housing program by an additional 250 packages for people who have experience rough sleepers is welcomed’ said Katherine McKernan, CEO of Homelessness NSW. ‘Ending rough sleeping is a Premier’s Priority, but without a significant investment in social housing will not occur.’

‘All evidence both from Australia and internationally shows that you cannot end homelessness without an investment in social housing. The \$1 billion windfall from stamp duty should be the ideal opportunity to make a real difference to homelessness in NSW.’

The NSW Government claims to be at a forefront of the social housing revolution with a reiterated commitment of an additional 800 social housing dwellings, but when the spend from the NSW Government is compared to the expenditure of the Queensland and Victorian Governments it is clearly not the case.

What is also disappointing is that the NSW Government is obtaining a good return on their investment in the Social and Affordable Housing Fund. While they predicted a return of 6.5% they are currently receiving a return closer to 14%. However, the NSW Budget does not include any expansion of the Fund.

NSW is experiencing the highest increases in homelessness and the highest turnaway from homelessness services across Australia. Investment in programs like Together Home shows that the NSW Government understands that housing that is affordable combined with support ends homelessness. Unfortunately this budget is a missed opportunity to use gains made from the housing market to significantly expand and invest in social housing and end all forms of homelessness.

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