

A Social Housing Boom for Queensland



Budget Priority

Build 30,000 social homes by 2025

Using stimulus spending to deal with the housing crisis in Queensland is possible and presents an opportunity for government to provide a benefit to all Queenslanders for generations.

The COVID crisis has highlighted how ensuring suitable, stable and accessible housing for all is crucial in protecting the health of our communities.

As of June 2020, there were more than 25,854 families or households on the social housing register in Queensland.ⁱ In just three years, the number of households on the register has increased by 65 per cent.ⁱⁱ In addition, 22,000 people experience homelessness in the state.ⁱⁱⁱ

Building more social and affordable homes to meet the severe deficit in supply presents both federal and state governments with a transformational opportunity to deliver long term, multi-dimensional benefits to people in need of housing, as well as an opportunity to create thousands of jobs.

QCOSS is calling on federal and state governments to:

- Address the immediate demand for social housing for people with the highest need by building 30,000 new social homes in Queensland by 2025
- Work through the National Cabinet to invest in social and affordable housing as a central economic recovery stimulus plan

Demand for social housing in Queensland

There is a housing crisis in Queensland.

In addition to the high numbers of families on the social housing register and people sleeping rough each night, we also know that, pre-COVID, one-third of low income households in Queensland suffered from rental stress, which occurs when a person pays more than a third of their income on rent.^{iv}

A breakdown of the most recent publicly available data on social housing in Queensland shows more than 80 per cent of applicants (20,814) on the register have a high or very high need for social housing, with nearly 57 per cent of applicants (14,697) having a very high need of housing.^v

Nearly 30 per cent of applicants (7,663) on the social housing register are listed for an Aboriginal and Torres Strait Islander housing program type, despite just 4 per cent of the Queensland population identifying as Aboriginal or Torres Strait Islander.^{vi}

Twenty-six per cent of households (6,798) are single-parent families, with a further 2.6 per cent of households (678) made up of couples with children. 16.4 per cent of households (4,241) are single people or couples over the age of 55.

By the year 2036, the need for social and affordable housing is projected to be 174,900 dwellings in Queensland.^{vii} The scale of the deficit underscores the need to rethink investment in social housing and make it a central component of any economic stimulus package.

Investment in housing as smart economic stimulus

Good housing contributes to improved health, education and economic outcomes.^{viii}

Investment in social housing is particularly well suited as a strong response to economic recessions such as the one caused by COVID-19. Residential construction is found to have one of the strongest multiplier effects for public expenditure and results in high flow-on impacts to the rest of the economy. The single largest commitment to social housing in Australia's history - the COAG response to the Global Financial Crisis in 2008 - found that the \$5.638 billion investment created enduring benefits such as:^{ix}

- Additional construction activity estimated to be \$1.5 billion per annum on average over the life of the Social Housing Initiative (SHI)
- Increase in employment by about 9,000 full time equivalent positions during the period of the stimulus and an overall increase of approximately 14,000 FTE jobs
- Multiplier effect of \$1.30 for every \$1.00 of construction activity
- Increase of value-add (GDP) by \$1.1 billion over the life of the SHI
- In addition, energy efficiency and adaptation were introduced to more than 95 per cent of constructed new dwellings, potentially reducing energy bills for households.

Investment in social and affordable housing should be central to any stimulus plan. It delivers multi-dimensional and enduring socio-economic impacts to users as well as the broader economy. Recent analysis by the National Housing Finance and Investment Corporation shows that every \$1 million of residential building construction output supports around \$2.9 million of industry output and nine jobs across the economy.^x In Victoria, a plan released last year to build 12,000 social housing dwellings is estimated to create 43,000 jobs over the life of the four-year program.^{xi} These figures illustrate the high flow-on effects of housing construction on the economy.

For more information on QCOSS' position on housing, head to <https://www.qcoss.org.au/publication/qcoss-housing-position-statement/> or contact research@qcoss.org.au.

References

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