

## ALBANESE GOVERNMENT ANNOUNCE THEIR \$3.5 BILLION HOUSING PLAN

On Wednesday 16 August at the national cabinet meeting in Brisbane, the Albanese Labor Government unveiled their fast-tracked \$3.5b housing plan.

Working with the states and local councils to increase housing supply, the plan a funding boost to construct 1.2 million homes over the next five years. This comes just months after Labor's announcement in June which provided states with \$2 billion grants to create and improve social and affordable housing.

Initially, the target put forward by the government was to develop one million new homes over the next five years. Jurisdictions will now be given \$15,000 for every additional home delivered above this figure to further encourage the fast-tracked production and supply.

\$500 million has also been set aside by the federal government for local and state governments to develop in higher demand areas with better accessibility to amenities and essential services.

The delivery of the Albanese Government's Help to Buy Scheme will support 40,000 low- and middle-income households purchase their first home by providing an equity contribution of up to 30% for existing homes and 40% for new homes. This announcement relies on legislation to be passed in the individual states to allow populations to participate.

In addition to the funding announcement, National Cabinet discussed their plan to impose rental laws which are to be applied across the country to ensure consistency among different jurisdictions. Over the coming months, the government plan to phase in minimum renting standards as well as limiting rental price increases to once a year. Renters can also expect a commitment to a ban on rent bidding as well as reform in the short-stay residential accommodation space.

This, in conjunction with the increased supply of social and affordable housing, are the key announcements made by Albanese to provide support for renters. Albanese suggested that the outcomes of such initiatives will place downward pressure on rental prices.

This announcement also comes with a commitment from National Cabinet to produce a National Planning Reform Blueprint outlining land release, zoning and planning measures to increase housing supply.

Over the last year, considerable pressure has been placed on the Labor party by the cross bench to implement policies which alleviate the pressures on renters and those looking to enter the property market.

The contentious \$10 billion Housing Australia Future Fund is still not guaranteed to pass the senate. This fund looks to pay at least \$500 million annually for social and affordable housing.

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