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MEDIA RELEASE

Landcom's new direction a welcome focus on affordable rental housing

The state's peak not-for-profit housing body today welcomed Landcom's announcement it will prioritise the delivery of affordable housing for low and middle income earners caught in the gap between social housing and soaring private rental and real estate costs.

NSW Federation of Housing Association CEO, Wendy Hayhurst, said Landcom's new direction would help deliver the number of social and affordable rental homes NSW is expected to need within the next 20 years to keep pace with population growth.

"Landcom has signalled it will seek out opportunities to boost affordable housing supply on both private and government owned land and will early next year release its own targets on the number of new affordable rental homes Sydney needs," Ms Hayhurst said.

"Government leadership is exactly what NSW needs to kick start large scale interest from institutional investors in affordable and community housing projects that can provide permanent, high quality, below market rental homes for people who need them."

Ms Hayhurst said Landcom and the NSW Government must mandate 10% affordable housing across all new developments - the top of the 5-10% threshold proposed by the Greater Sydney Commission.

The Federation and other peak bodies, including the NSW Property Council, are also urging the government to stretch that target to 30% on urban renewal of government owned land.

"Every Sydney suburb now has a median house price of over \$500,000 - most are over \$1 million," Ms Hayhurst said.

"Relying on increasing development alone won't solve the problem. We need to be smart about the housing we provide - making sure it's both well designed and meets the needs of our whole community, not just a small part of it. We need affordable rental housing so that our nurses, bus drivers, and aged care workers can continue to live and work in Sydney and keep our city running.

"A healthy housing system is essential to creating a productive economy but our housing system is broken - people are losing too many productive hours and spending too much family time commuting, and having less disposable income to spend on other goods and services.

"Housing is a key part of our economic infrastructure and the NSW Government must invest in the development of a long term housing strategy just like the Future Transport 2056 strategy, that sets out exactly how many houses NSW needs, where they will be built and how that will be achieved. The strategy needs to include all types of housing - including social housing."

Media enquiries: Jenny Stokes 0478 504 280