

National Shelter 2024-25 Federal Budget Summary

Overview

The 2024/25 May Federal Budget was handed down Tuesday 14 May 2024 and continues the investment in housing supply and responding to cost-of-living pressures.

The priorities for this budget are:

- Easing cost of living pressures
- Building more homes for Australians
- Investing in a Future Made in Australia
- Strengthening Medicare and the care economy, and
- Broadening opportunity and advancing equality.

The framing of this budget is continual global uncertainty, high but moderating inflation, and higher interest rates contributing to cost-of-living pressures and combining to slow the economy.

From a housing perspective, housing receives its own [Budget Statement](#) 'Meeting Australia's Housing Challenge' that outlines the housing challenge facing the nation including the chronic under investment in social housing over decades and housing supply shortages.

The approach by the Government to respond to the housing challenge outlined in this Budget are:

- Kickstart construction of more homes by building infrastructure, training tradies, and cutting planning hurdles.
- Deliver the biggest investment in social and affordable housing in over a decade.
- Provide more support for renters – including the biggest increase to rent assistance in more than 30 years.
- Help Australians buy their own home.
- Double its dedicated homelessness funding and provide shelter for people in crisis – including women and children fleeing domestic violence, veterans, and youth.

Budget forecasts¹

The key headlines in this Budget are:

- Growth is expected to remain subdued with real GDP growing by 2% in 2024-25, and then 2.25% in 2025-26. The
- A surplus of \$9.3billion is now forecast for 2023-24.
- A deficit of \$28.3billion (1.0% of GDP) is forecast in 2024-25.
- Unemployment is expected to rise slightly but remain below pre-pandemic levels to 4.5% in 2024-25.
- Wage growth is forecast to be 3.25% 2024-25 and increase to 3.5% in 2026-27.
- Inflation is expected to reduce to 2.75% 2024-25, and further reduce to 2.5% in 2026-27.
- Net overseas migration will reduce by 110,000 people from 1 July 2024. Net overseas migration is forecast to approximately halve from 528,000 in 2022-23 to 260,000 in 2024-25.

A surplus of \$9.3billion (0.3% of GDP) is expected in 2023-24, with a deficit of \$28.3billion (1.0% of GDP) forecast in 2024-25.

Cost of living

There are a number of measures in this Budget to assist households with the increasing cost of living.

Energy Bill Relief Fund²

- **\$300 energy rebate to every household**
- **Paid in quarterly instalments on electricity bills from 1 July 2024.**
- **Non means tested**
- **Total cost \$3.5billion**
- **Households in embedded networks (e.g. strata, caravan park, apartment building, retirement village) will be eligible for a rebate through an application to their state/territory government.**

Increased eligibility for JobSeekers with partial capacity to work (0-14 hours)³

- Extension of eligibility for the higher rate of JobSeeker Payment to single recipients who have an assessed partial capacity to work up to 14 hours per week.
- The higher rate of JobSeeker Payment is currently \$816.90 per fortnight. This cohort will also become eligible for the higher rate of Energy Supplement, which is currently \$9.50.
- The higher rate of JobSeeker payment is currently provided to single recipients with dependent children and those aged 55 and over who have been on payment for nine continuous months or more.
- Total cost \$41.2 million over five years from 2023–24 (and \$7.0 million per year ongoing from 2028–29)
- This measure will commence from 20 September 2024.
- This is only expected to assist 4,700 households.

¹ These figures are taken from Budget May 2024-25 Strategy and Outlook, Budget Paper No. 1 (see https://budget.gov.au/content/bp1/download/bp1_2024-25.pdf)

² The government anticipates that the Energy Bill Relief Fund and uplift in Commonwealth Rent Assistance is not likely to be inflationary. It is anticipated that these measures are likely to reduce inflation by 0.5% percentage points in 2024-25.

³ See <https://www.servicesaustralia.gov.au/sites/default/files/2024-05/budget-2024-25-work-5.pdf>

Freezing social security deeming rates

- Freezing social security deeming rates for a further 12 months to 30 June 2025. This extends the two-year freeze that began on 1 July 2022.
- The lower deeming rate will remain at 0.25% and the upper rate will remain at 2.25% until 30 June 2025.
-
- This is anticipated to benefit approximately 876,000 current income support recipients. Over half (450,000) receive the Age Pension, a further 16% (136,000) receive JobSeeker, and 11% (96,000) receive Parenting Payment Single.
- Deeming rates are used to determine payments, and historically reflect the cash rate.
- Freezing deeming rates could benefit a single pensioner by \$3,300⁴.

Increasing the flexibility for carers to work and study⁵

- Greater flexibility for Carer Payment recipients to structure their work and study commitments around their caring role.
- Recipients will be able to work up to 100 hours over a four-week period.
- Travel time, education and volunteering will not be counted.
- A six-month suspension period will be introduced for recipients who work over the limit. So if their circumstances change, they won't need to reapply.
- Temporary Cessation of Care days can be used for one-off instances of exceeding the limit.
- The changes to these rules will commence 20 March 2025.
- \$18.6million over five years from 2023-24.
- This is anticipated to benefit approximately 31,000 Carer Payment recipients.

Commonwealth Rent Assistance (CRA)

- An increase of the maximum rate of Commonwealth Rent Assistance by 10%. This builds of the 15% increase in the previous Budget.
- This measure will commence on 20 September 2024.
- It is anticipated to benefit approximately one million recipient households.
- A single person household will benefit by up to \$18.80/fortnight, and a family with children by \$25.06/fortnight.
- These amounts will also be indexed on 20 September 2024 in line with the usual schedule.
- The maximum rates of Commonwealth Rent Assistance have increased by 42% in the past two years.

Increasing the Medicare Levy low-income thresholds

- The Medicare Levy low-income thresholds for 2023-24 have been increased for 2023-24.
- The threshold for:
 - Singles will increase from \$24,276 to \$26,000,
 - Families will increase from \$40,939 to \$43,846,

⁴See <https://www.afr.com/wealth/personal-finance/deeming-rate-freeze-extension-keeps-pensioners-3300-in-the-green-20240510-p5jcnp>

⁵See <https://www.dss.gov.au/publications-articles-corporate-publications-budget-and-additional-estimates-statements/removing-barriers-to-employment-for-carer-payment-recipients?HTML#:~:text=The%202024%2D25%20May%20Budget,a%204%2Dweek%20settlement%20period.>

- Single seniors and pensioners will increase from \$38,365 to \$41,089
- Families (seniors and pensioners) will increase from \$53,406 to \$57,198.
- For each dependent child or student, the family income thresholds increase by a further \$4,027.
- This is anticipated to benefit more than one million households.

Securing cheaper medicines

- There will be a temporary freeze on indexing the Pharmaceutical Benefits Scheme (PBS) co-payment.
- In 2024, the co-payments are \$31.60 for general patients and \$7.70 for concessional patients.
- From 1 January 2025, the Government will introduce:
 - A 1-year freeze on indexation for PBS co-payments for general patients
 - Up to a 5-year freeze for concessional patients.
- The \$1 discount will gradually be removed without leaving patients worse off.
- Proposed effective date: 1 January 2025

Tax Cuts

The amended Stage Three tax cuts commence 1 July 2024². The tax cuts will:

- Reduce the 19% tax rate to 16%
- Reduce the 32.5% tax rate to 30%
- Increase the threshold above which the 37% tax rate applies from \$120,000 to \$135,000
- Increase the threshold above which the 45% tax rate applies from \$180,000 to \$190,000.

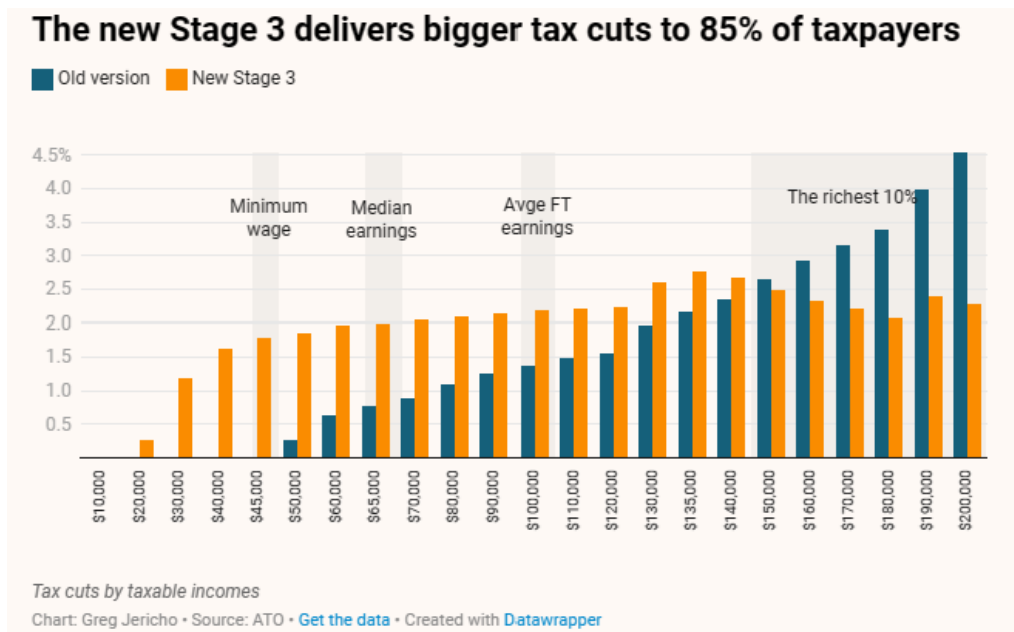
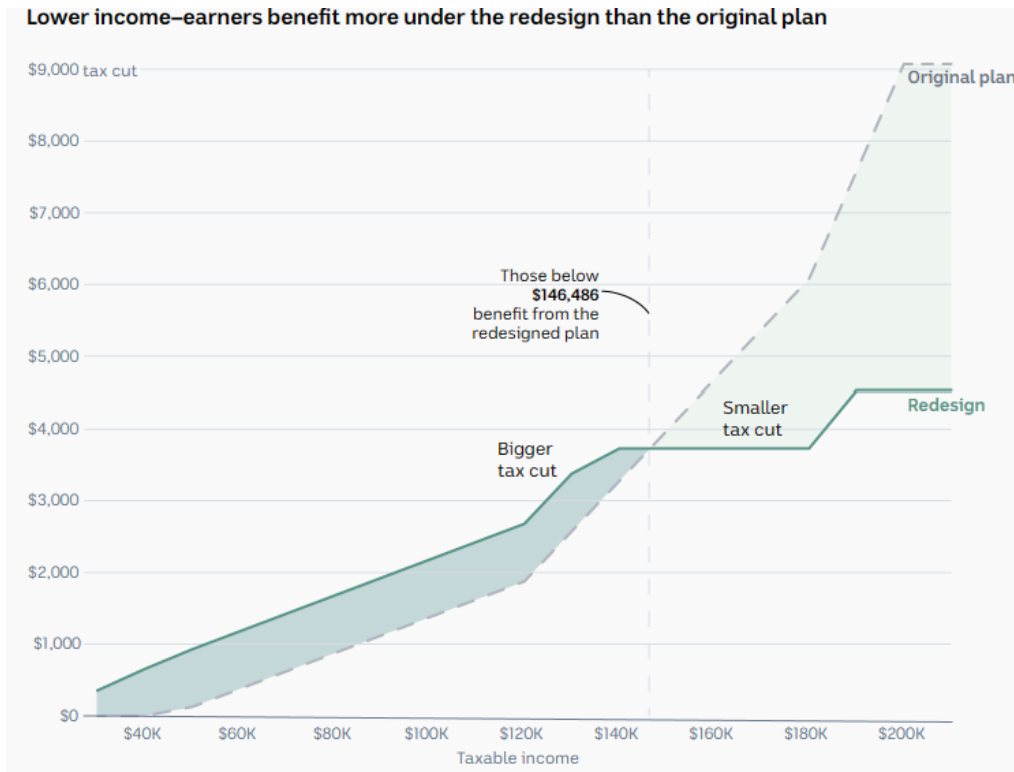
New personal tax rates and threshold for 2024-25 onwards⁶

2023-24		2024-25	
Thresholds (\$)	Rates (%)	Thresholds (\$)	Rates (%)
0 – 18,200	Tax free	0 – 18,200	Tax free
18,201 – 45,000	19	18,201 – 45,000	16
45,001 – 120,000	32.5	45,001 – 135,000	30
120,001 – 180,000	37	135,001 – 190,000	37
Over 180,000	45	Over 190,000	45

Under the proposed changes everyone with a taxable income below \$146,486 will receive a larger tax cut than under the original plan, while top income earners will receive less.

⁶ Source: [Tax cuts to help with the cost of living | Treasury.gov.au](https://www.treasury.gov.au)

The figures below demonstrate the changes to the re-designed tax cuts^{7 8}.



Analysis since the Budget has demonstrated that the various cost of living measures makes very little meaningful impact on low-income households when compared to the tax cuts for higher income households.

According to the UNSW the combined effect of the budget's major "cost-of-living measures", including the tax cuts, will deliver a \$6-a-week increase to a single person relying on JobSeeker (or \$15 for the minority who are eligible for rent assistance). Meanwhile, a single person earning \$200,000 a year

⁷ Source: [The generations, suburbs and jobs most likely to win or lose from the revised stage 3 tax cuts - ABC News](#)

⁸ Source: [Australia budget 2024: the six graphs you need to see | Greg Jericho | The Guardian](#)

will receive an extra \$93 a week. However, most people receiving JobSeeker and Youth Allowance do not receive rent assistance – and if they do, they’re likely to remain in deep housing stress. A single student paying median rent of \$220 a week will continue to pay more than half their income support in rent alone because the Youth Allowance is so low.

Why the JobSeeker measure in the budget is inadequate

	Current income (\$pw)	Energy subsidy (\$pw)	Increase in CRA (\$pw)	Tax cut (\$pw)	Total increase (\$pw)	Total increase (%)
LOWEST INCOMES						
Single, JobSeeker Payment, no CRA	\$386	\$5.77	\$0	\$0	\$5.77	1.5%
Single, JobSeeker Payment, Renter receiving CRA	\$480.10	\$5.77	Up to \$9.40	\$0	Up to \$15.17	3.2%
Couple, JobSeeker payment, no CRA	\$698.30	\$5.77	\$0	\$0	\$5.77	0.8%
Couple JobSeeker renters receive CRA	\$786.90	\$5.77	\$8.90	\$0	\$14.63	1.9%
MIDDLE INCOMES						
Single, Median wage (\$65,000)	\$1,250	\$6	\$0	\$25	\$31	2.5%
Couple, 1.5 median wage (\$97,500)	\$1,875	\$6	\$0	\$33	\$39	2.1%
HIGHEST INCOMES						
Single, \$200,000	\$3,486	\$6	\$0	\$87	\$93	2.7%
Couple, 1.5 X \$300,000	\$5,769	\$6	\$0	\$129	\$228	4%

CRA=Commonwealth Rent Assistance

Table: The Conversation • Source: 2024-25 Budget • Get the data • Embed • Download image • Created with Datawrapper

Source: <https://www.businessthink.unsw.edu.au/articles/federal-budget-2024-jobseeker-youth-allowance>

Further analysis on the impact of the tax cuts including by location with heatmaps is available [here](#).

Government housing measures 2024-25 Budget

The housing commitments in this Budget build in the considerable previous investment in the past two Budgets from this Government. These measures are outlined in the Budget Statement 4 [‘Meeting Australia’s Housing Challenge’](#).

The measures in the 2024-25 are categorised as:

- Removing barriers preventing new homes being built
- Delivering more social and affordable homes for those who need them
- Delivering more support to renters
- Other measures

Removing barriers preventing new homes being built

Housing Support Program

–

- \$1bn unlock local infrastructure bottlenecks by supporting community amenity and essential services like water, power, and roads to support the supply of new homes
- Will be provided states/territories on a per capita basis
- Builds on the previous Housing Support Program
- 25% can be spent on new social housing (\$250m) over the life of the agreement

Skilling the construction workforce to support housing supply

- \$88m over three years from 2024-25) to develop the future construction workforce with additional training and incentives
- 20,000 additional fee free TAFE/VET places

Increasing the availability of purpose-built student accommodation

- Work with universities to increase the availability of student housing, by limiting international student enrolments based on factors including how much student accommodation they provide.
- See [Draft International Education and Skills Strategic Framework - Department of Education, Australian Government](#)
- Key question in the framework 'How should government implement a link between the number of international students and an increased supply of student housing?'

National Housing Accord – Commonwealth land release

- The Government will undertake feasibility studies on a number of surplus Commonwealth-owned land holdings to determine their suitability for release as housing to support the 1.2 million new, well located homes target under the Accord.
- National Shelter recently [wrote](#) to the relevant Minister about the disposal of defence estate and the need for a mandatory requirement of social and affordable housing.

Delivering more social and affordable homes for those who need them

National Agreement on Social Housing and Homelessness (NASHH)

- The new agreement will provide \$9.3 billion over five years to the states/territories.
- The new agreement provides \$423.1 million in additional funding.

Housing Australia Future Fund and National Housing Accord – additional finance – concessional Commonwealth loans

- Provide additional concessional financing of up to \$1.9 billion for community housing providers and other charities to support the delivery of new homes under the HAFF and Accord.
- Will support delivery of the 40,000 social and affordable homes
- No interest loans for up to 25 years

Capacity building support for the social and affordable housing sector

- Support to build the capacity of Community Housing Providers and Aboriginal and Torres Strait Islander Community Controlled Housing Organisations to enable them to better engage with available support and improve their delivery of new housing
- \$2 million (over three years from 2024-25)

Expanding the Affordable Housing Bond Aggregator to support Community Housing Providers

- Expanding the Affordable Housing Bond Aggregator from \$7.5b to \$10b
- This increases Housing Australia's ability to issue more bonds supporting Community Housing Providers through the provision of low-cost financing.

Targeted assistance to residential builders seeking WHS accreditation

- Provide targeted assistance to residential builders seeking to obtain accreditation under the Work Health and Safety Accreditation Scheme \$7 million (over three years from 2023–24) Increased availability of accredited builders will support delivery of Government-funded housing projects
- The Office of the Federal Safety Commissioner has already published guidance for residential builders/head contractors applying Housing Australia funding under the HAFF/NHA The guidance is to assist builders/contractors determine whether it applies to their project, and how they can get accredited.

Grants to building industry peak employer associations to assist residential builders seeking WHS accreditation

- Support for building industry peak employer associations to assist residential builders in obtaining accreditation under the Work Health and Safety Accreditation Scheme
- \$6.2 million (over two years from 2024–25)
- This is anticipated to increase the availability of accredited builders will support delivery of Government-funded housing projects

Delivering more support to renters

Commonwealth Rent Assistance – 10 per cent increase

- An increase of 10 per cent in the maximum rates of Commonwealth Rent Assistance, to be provided from September 2024.

Other measures

Improved housing policy, research and data

- Additional support for the Australian Housing and Urban Research Institute and for the Treasury to continue its work supporting development of evidence-based housing policy.
- \$20.8 million (over five years from 2024-25)

Funding for the Northern Territory housing and homelessness responses

10-year Northern Territory Housing and Homelands Agreement

- **10-year Agreement to fund delivery of housing and property and tenancy management measures in remote communities when the current schedule expires**
- **\$698.4 million (over four years from 2024-25 and \$2 billion over ten years)**

Remote Housing Northern Territory Federation Funding Agreement

- Deliver an additional 49 houses under the existing Remote Housing Northern Territory Federation Funding Agreement, in partnership with and jointly funded by the Northern Territory Government. \$20 million in 2023-24
- Deliver a total of 206 houses under the one-year agreement

Northern Territory Homelands funding extension

- Funding to continue the delivery of urgent repairs and maintenance of existing housing and essential infrastructure through an extension of the Northern Territory Homelands Federation Funding Agreement
- \$120 million (over three years from 2024-25)

Community Controlled Housing Model

- \$1.0 million over two years from 2024–25 to develop a sustainable Community-Controlled Housing Model to improve housing delivery and management in remote Northern Territory communities.

Specific purpose payments for housing and homelessness

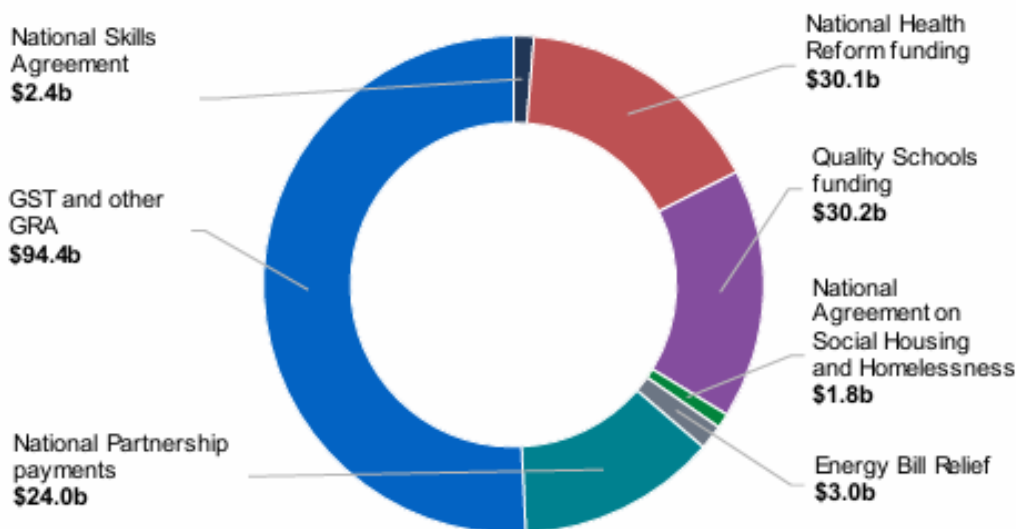
National Agreement on Social Housing and Homelessness

Housing and homelessness funding remains smallest payment to the states and territories at \$1.8billion (through the National Agreement on Social Housing and Homelessness (NASHH)⁹ to

⁹ Source: Federal Financial Relations, Budget Paper 3 2024-25, https://budget.gov.au/content/bp3/download/bp3_2024-25.pdf

support access to affordable safe and sustainable housing, which includes preventing and addressing homelessness.

Total Australian Government payments to the states, 2024–25



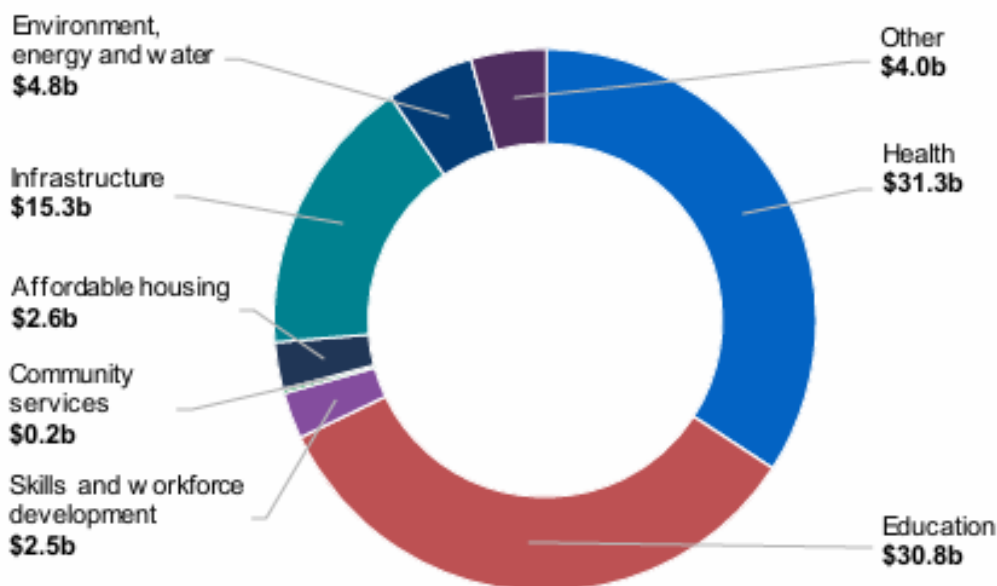
Note: National Partnership payments exclude National Skills Agreement and Energy Bill Relief payments which are shown separately.

The total payments for specific purposes for affordable housing to the state/territories is \$2.5billion. This includes the \$1.6billion for the NHA and a further \$831.8million National Partnership payments.

Other National Partnership Payments for housing

National Partnership payments are expected to be \$24.0 billion in 2024–25. The total payments for affordable housing will be \$2.6billion.

Payments for specific purposes 2024–25, by sector



In 2024–25, the Australian Government will provide funding of \$2.6 billion for state affordable housing services, consisting of \$1.8 billion through the National Agreement on Social Housing and Homelessness (NASHH) and \$798.5 million through National Partnership payments.

The table below shows the payments that are made to the states/territories for affordable housing and the specific categories.

Table 2.7: Payments to support state affordable housing services

\$million	2023-24	2024-25	2025-26	2026-27	2027-28
National Agreement on Social Housing and Homelessness	1,705.7	1,778.3	1,814.1	1,855.7	1,887.5
National Partnership payments					
HomeBuilder	165.9	44.2	11.1	-	-
Housing Australia Future Fund – Remote Indigenous Housing	-	100.0	-	-	-
Housing Support Program					
Priority Works Stream	1,000.0	-	-	-	-
Streams 1 and 2	50.0	450.0	-	-	-
Improving housing and essential services on Northern Territory Homelands	75.0	40.0	40.0	40.0	-
Northern Territory Remote Housing	318.9	163.0	170.1	177.6	185.4
Social Impact Investments					
People at risk of homelessness	0.8	1.3	2.3	3.5	-
Total National Partnership payments	1,610.6	798.5	223.5	221.1	185.4
Total	3,316.3	2,576.8	2,037.6	2,076.8	2,072.9

The Australian Government has offered the states a five-year, \$9.3 billion NASHH to replace the National Housing and Homelessness Agreement from 2024–25. Funding is subject to states signing the NASHH. Under the NASHH, the Australian Government will double its funding component for homelessness services to \$400 million a year, subject to matching by states. However, there is no significant increase in the funding envelope for the NASHH with the increase being the rolling of the Equal Remuneration Order (ERO) into the base and indexation.

The Northern Territory has received a significant increase in funding through the NASHH from \$21.7million in 2023-24 to \$55.6million in 2024-25 and beyond.

National Agreement on Social Housing and Homelessness^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2023-24	515.4	435.9	355.4	190.2	119.7	37.4	30.1	21.7	1,705.7
2024-25	539.6	451.0	355.4	190.2	119.7	37.4	30.1	55.6	1,778.3
2025-26	552.0	461.4	363.6	194.5	122.4	38.3	30.8	56.9	1,814.1
2026-27	564.2	471.6	371.6	198.8	125.1	39.1	31.5	58.1	1,855.7
2027-28	575.4	481.0	379.0	202.8	127.6	39.9	32.1	59.3	1,887.5
Total	2,746.6	2,300.9	1,824.9	976.5	614.6	192.0	154.8	251.4	9,041.3

- a) Bilateral agreements under the National Housing and Homelessness Agreement (NHHA) expire at the end of 2023–24, beyond which funding is subject to states signing the new National Agreement on Social Housing and Homelessness (NASHH).
- b) Totals from 2024–25 onwards were correct as at 30 April 2024. State allocations have been updated to reflect the Commonwealth's offer to the states on 6 May 2024, indexed by Wage Cost Index 1 (see Appendix A). As a result, state allocations do not sum to totals.

The indexation for the NASHH is Wage Cost Index 1.

Table A.7: Wage cost indices

Per cent	2023-24	2024-25	2025-26	2026-27	2027-28
Wage cost index – 1	3 1/2	3 1/4	2 1/4	2 1/4	2
Wage cost index – 3	4 1/2	3 1/2	2 1/2	2 1/4	2
Wage cost index – 6	5 1/2	3 1/2	2 1/2	2 1/2	2 1/4

Further analysis on the NASHH and previous agreements has been undertaken by [Homelessness Australia](#).

Housing Support Program

As mentioned previously, a further \$1billion is being made available to states/territories to fund urgent and significant enabling infrastructure projects to increase housing supply in well-located areas. Funding will unlock local infrastructure bottlenecks by supporting community amenity and essential services like water, power, and roads.

Housing Support Program – Priority Works Stream^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2023-24	~	~	~	~	~	~	~	~	1,000.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
2027-28	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	1,000.0

a) State allocations have not yet been determined.

Housing Support Program (Streams 1 and 2)^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2023-24	~	~	~	~	~	~	~	~	50.0
2024-25	~	~	~	~	~	~	~	~	450.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
2027-28	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	500.0

a) State allocations have not yet been determined.

Other National Partnership Payments

The additional National Partnership payments include:

- [HomeBuilder¹⁰](#) - \$221.2 from 2023-24 until 2025-26. The extension is for the deadline for submitting supporting documentation.
- [Housing Australia Future Fund – Remote Indigenous Housing](#) - \$100million in 2024-25 for the repair, maintenance and improvements to housing in remote Indigenous communities.
- [Housing and essential services on the Northern Territory Homelands](#) – \$195million over four years from 2023-24 for the Northern Territory Government to deliver repairs and maintenance of critical housing and essential infrastructure on Northern Territory homelands.
- [Northern Territory Remote housing](#) – Over a \$1billion over five years from 2023-24 to support the delivery of housing to remote Northern Territory communities to reduce overcrowding and improve housing outcomes. The investment is matched by the Northern Territory Government and includes a comprehensive repairs and maintenance program to improve existing housing.
- [Social Impact Investments](#) – \$6.9million over four years from 2023-24 to New South Wales to trial social impact investments which aim to help people at risk of homelessness.

¹⁰ This program was announced on 4 June 2020 to respond to the impact of the COVID-19 pandemic on the residential construction sector by encouraging eligible Australians to build a new home or substantially renovate an existing home. Applications for the program closed on 14 April 2021.

Historic state/territory housing debt

There is historic debt from the Commonwealth State Housing Agreement (CSHA), and other housing related loans¹¹.

Senator David Pocock has been advocating for loan forgiveness for the ACT's historic housing debt to free up funds for the delivery of more social housing. There is precedence for the Commonwealth providing loan forgiveness. In 2019, Tasmania's \$150million housing debt was waived in exchange for Senator Lambie's support for income tax cuts.

The table below shows the outstanding loans by states/territories at 30 June 2023. There is just over \$589million with over \$480million from Commonwealth State Housing Agreement Loans. The repayments towards these loans in 2023-24 will be just over \$75million¹².

Table D.1: Outstanding loans as at 30 June 2023, by state

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Agriculture									
Drought Concessional Loans Scheme	21,463	95,263	36,999	-	4,683	15,939	-	-	174,347
Drought Recovery Loans Scheme	10,869	21,833	9,840	-	3,347	2,889	-	-	48,778
Farm Finance Concessional Loans Scheme	558	700	-	1,016	-	-	-	220	2,494
Debt sinking fund	144	19	-	-	-	-	-	-	163
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	8,313	8,313
Housing									
Commonwealth-State Housing Agreement loans	282,231	-	84,977	78,684	17,699	-	-	16,563	480,154
Housing for service personnel	26,199	-	14,148	1,930	1,242	-	-	-	43,519
Other housing	-	-	-	-	-	-	81,586	27,033	108,619
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund									
Asbestos Injuries Compensation Fund	31,905	-	-	-	-	-	-	-	31,905
Natural disaster relief	705	-	18,712	-	1,631	-	-	-	21,048
Other purposes									
Loan Council – housing nominations	279,702	-	99,973	170,135	122,701	-	-	99,115	771,626
Total	653,776	117,815	264,649	251,765	151,303	18,828	81,586	151,244	1,690,966

¹¹

See

https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/FlagPost/2019/July/State_and_territory_housing_debts for more information on historic housing debts.

¹² Source: https://budget.gov.au/content/bp3/download/bp3_2024-25.pdf

Table D.2: Summary of advances, repayments and interest, by year and state

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2023-24									
Advances									
Natural disaster relief	31,311	-	25,000	-	1,404	-	-	-	57,715
Total Advances	31,311	-	25,000	-	1,404	-	-	-	57,715
Repayments									
Agriculture									
Drought Concessional Loans Scheme	-7,779	-13,741	-8,737	-	-817	-4,816	-	-	-35,890
Drought Recovery Loans Scheme	-3,236	-3,809	-2,790	-	-1,415	-2,289	-	-	-13,539
Farm Finance Concessional Loans Scheme	-557	-700	-	-1,024	-	-	-	-220	-2,501
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing Agreement loans	-35,289	-	-10,225	-9,554	-2,883	-	-	-1,177	-59,128
Housing for service personnel	-2,545	-	-1,276	-254	-126	-	-	-	-4,201
Other housing	-	-	-	-	-	-	-8,354	-3,824	-12,178
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-15,952	-	-	-	-	-	-	-	-15,952
Natural disaster relief	-181	-	-4,534	-	-	-	-	-	-4,715
Other purposes									
Loan Council – housing nominations	-12,752	-	-4,691	-8,134	-5,334	-	-	-4,245	-35,156
Total Repayments	-78,291	-18,250	-32,253	-18,966	-10,575	-7,105	-8,354	-9,602	-183,396

Commonwealth Rent Assistance

The Government will provide \$1.9 billion over five years from 2023–24 (and \$0.5 billion per year ongoing from 2028–29) to increase all Commonwealth Rent Assistance maximum rates by 10 per cent from 20 September 2024. The total cash projections for CRA for 2024-25 is over \$6.2billion. In 2023-24 it was \$5.4billion.

Cash projections for Rent Assistance (a)

Cross-Program – Rent Assistance

	2023-24 Estimated actual \$'000	2024-25 Budget \$'000
<i>DSS: A New Tax System (Family Assistance) (Administration) Act 1999</i>		
Family Tax Benefit	1,992,236	2,242,083
<i>DSS: Social Security (Administration) Act 1999</i>		
Age Pension	1,207,722	1,348,721
Austudy	32,473	36,770
Carer Payment	184,275	218,622
Disability Support Pension	979,817	1,097,408
JobSeeker Payment	790,097	939,361
Parenting Payment (Partnered)	1,761	2,035
Parenting Payment (Single)	68,632	81,995
Special Benefit	9,345	9,788
Youth Allowance	151,312	172,807
<i>DSS: ABSTUDY (Student Assistance Act 1973)</i>	19,094	20,093
<i>Department of Veterans' Affairs: Veterans' Entitlements Act 1986 (b)</i>	39,010	42,131
Total cash projections	5,475,774	6,211,814

(a) Rent Assistance is a supplementary payment included in the calculation of the primary income support payment, Family Tax Benefit or service pension. This table provides cash projections for the Rent Assistance component included in the primary income support payment, Family Tax Benefit or service pension.

(b) Rent Assistance is paid to eligible service pension and income support supplement recipients.

Domestic and Family Violence and Young People

- The Escaping Violence Payment (EVP) will be made permanent. A total of \$925.2million will be invested over five years to support victim-survivors of intimate partner violence to leave and re-establish their life. Those eligible will be able to access up to \$5,000 in financial support - \$1,500 cash and \$3,500 goods and services.

- The Temporary Visas Holders Experiencing Violence Pilot (TVP) will be extended until 30 June 2025. A total of \$4.4 million over two years from 2023–24 will be allocated to increase financial support available under the TVP to \$5,000 (previously \$3,000) to align with the Escaping Violence Payment
- The additional \$1billion allocated to the National Housing Infrastructure Facility (NHIF) in 2023 will now be targeted towards providing grants and concessional loans for additional housing for women and children leaving domestic violence, and youth. The proportion of grants will be approximately \$700million.

Financial Wellbeing and Capability Activity – additional funding

Further funding will be provided to boost support for Australian in financial distress or experiencing financial hardship and to build financial resilience through additional funding to the Financial Wellbeing and Capability Activity. Total funds are \$138.0 million over five years from 2023–24 (and \$35.4 million per year ongoing).

Funding includes:

- \$114.8 million over five years from 2023–24 (and \$27.7 million per year ongoing) to support individuals and families experiencing financial distress in times of crisis and natural disasters
- \$11.2 million over three years from 2025–26 (and \$3.9 million per year ongoing) for the expansion of the Saver Plus program to enable participants to build financial skills, capabilities and resilience
- \$6.3 million over three years from 2025–26 (and \$2.2 million per year ongoing) for the No Interest Loan Scheme for Vehicles for vulnerable people needing to purchase vehicles for essential use
- \$4.7 million over three years from 2025–26 (and \$1.6 million per year ongoing) to enable better accessibility to financial counselling services through the National Debt Helpline, including an appointment booking system and live webchat function to support individuals with personal financial difficulty.

A Stronger and More Diverse and Independent Community Sector

The Government will provide \$2.4 million over two years from 2024–25 for the Department of Social Services (DSS) to develop a community sector partnership framework, in consultation with the Community Services Advisory Group (CSAG). The framework will drive administrative and cultural change across government agencies, to deliver grants that are designed to better serve the sustainability of community sector organisations and ensure better outcomes are achieved in delivering government policy.

Further information on CSAG and the consultation to date can be found [here](#). The consultation summary report is available [here](#). National Shelter made a submission to the consultation.

Conclusion

Overall, the Budget is moving in the right direction of continued investment in social and affordable housing and enhancing housing supply. As mentioned in our previous media statements, the Federal Budget contains measures that continues to see the Commonwealth further its previous investments in the delivery of social and affordable housing/housing supply. The Commonwealth government have made significant investment towards solving the housing crisis since coming to office and this Budget builds on that investment by targeting initiatives to remove impediments to the construction of housing including training construction workers and funding enabling infrastructure. These are critical measures to expedite the supply of new housing to the market and also contribute to speeding up the supply of social and affordable housing. The additional measures to support community housing providers and Housing Australia are welcome to expand their capacity to respond to the housing crisis.

The further increase to Commonwealth Rent Assistance will continue to provide some relief to private rental households in housing stress. The resolution of the new National Agreement on Social Housing

and Homelessness (NASHH) is welcome. This means that the sector can focus on front line service delivery for those experiencing homelessness and housing insecurity with certainty for the next five years. The doubling of funding to homelessness service is overdue, but we are concerned that there is no significant uplift in a five-year housing and homelessness agreement – this is not a scaled investment to the demand that exists. We are also concerned that the additional funding in homelessness has come at the expense of the housing component of the agreement, specifically repairs and maintenance.

The National Shelter media statements from the announcement at National Cabinet and the Federal Budget can be found [here](#) and [here](#).

However, what is needed now is boldness to strike at the heart of the structural problems impacting on the housing system. We would have liked to have seen the Budget go further with bold decisions about structural reform of the housing system in Australia including reforming tax concessions for negative gearing and the Capital Gains Tax discount that entrench inequality in our housing system. This also includes increasing JobSeeker and reviewing the impact and efficacy Commonwealth Rent Assistance.

Most importantly we need to see the framework that is guiding these investments in housing and homelessness via a National Housing and Homelessness Plan. We need to understand the aspirations and targets, and how shorter-term funding measures are being delivered within a context of a pathway to permanency and long-term housing solutions.