

The top of the page features a red silhouette graphic of a city skyline. In the foreground, there are silhouettes of various people: a person with a cane, a person pushing a stroller, a person in a wheelchair, and a family. The logo for 'national shelter' is positioned in the upper left, with a house icon above the word 'national' and 'shelter' in a larger font below it.

national  
shelter

# 2025 Policy Platform Priorities

A **Call to Action** to the Australian  
Government to

**Fix the Housing Crisis**

The bottom half of the page has a background of a red city skyline silhouette. In the foreground, there are silhouettes of people walking, including a person with a suitcase and a person in a wheelchair.

So that Australia has the  
**Decent Affordable Housing**  
it needs

National Shelter is a non-government, non-partisan, independent and member-based organisation that has operated since 1975 as a national housing peak body. We represent the interests of low-income Australians across the whole housing system. Our vision is for a fair and healthy housing system. We aim to improve housing access, affordability, appropriateness and security of tenure for Australians living on low incomes. We lead on and amplify information about housing issues and support evidence-based solutions through engagement and collaboration with all levels of government, the private and not-for-profit sectors, industry bodies, academia and people with lived experience to shape and influence government policy and action.

### There is an urgent need to fix Australia’s broken housing system

Australia is in the midst of a housing crisis. Those who are the most adversely affected are living on low incomes, younger or older and single, living with disability, women and children escaping domestic violence and First Nations peoples. We acknowledge the housing policies, commitment and investment from the Commonwealth Government in recent years but the national housing policy agenda needs to be much more ambitious and elevated to reflect a greater commitment to urgent action. There is still much to be done to address the housing, homelessness and affordability crisis. National Shelter is well-positioned to work with Government and other stakeholders to shape a fair, sustainable and healthy housing system for all Australians.

Our policy platform and priorities recognise the scale and complexity of the problems we must solve. Our priorities are informed by research, high-quality data and broad consultation underpinned by fifty years of national housing policy advocacy and influence. Our priorities are proactive, strategic and nationally focussed. They recognise that there are moderate asks, and short-term wins, while other solutions require significant investment and long-term commitment, which must be sustained beyond the limitations of electoral cycles.

Our policy priorities are underpinned by National Shelter’s principles including [1]:

- 1 Housing is a human right**, and everyone should have access to a place they can call home, and not be left in poverty after they have met their housing costs;
- 2 Housing is a means of providing a home**, and should not be treated primarily as an asset investment or for wealth creation;
- 3 Housing products and dwellings** must meet the changing housing needs of Australians throughout their lives and should comply with well-designed, adequate standards, e.g. on energy efficiency, accessibility and construction; and
- 4 Safe and secure housing as part of a healthy and fair housing system** delivers social and economic benefits for individuals, households and communities.

Successful implementation of our key priorities requires commitments from all levels of Government, as well as coordinated, coherent and collaborative approaches across the housing system, long-term investments and coordination with many policy areas that don't appear to be "housing related". Our first priority ask of a National Housing and Homelessness Plan enshrined in legislation is critical to underpin this national approach and provide a framework to drive National Shelter's policy priorities. We recognise that the adoption of our key priorities requires vision from Government, strong leadership, trust and courage from all levels of Government, industry and the housing sector to invest in new and innovative policies that may need to disrupt the status quo to make an impact.

## Our five Key Policies for adoption by the Australian Government

1

**Deliver a legislated National Housing and Homelessness Plan that contains targets, dedicated funding, commitments to investments and a clear plan for delivery and public reporting.**

Housing and homelessness issues can only be addressed by coordinated and formalised action from all levels of government. For far too long, policy responses to the housing and homelessness crisis have been fragmented, inconsistent across jurisdictions, and lacking national leadership.

National Shelter commends the Australian Government's commitment to develop a National Housing and Homelessness Plan (NHHP). The final Plan must consider all aspects of the housing system and how they interact to design and deliver a coherent and coordinated system that achieves the NHHP intent and agreed performance outcomes. Addressing long-standing issues, including the delivery of social and affordable homes, will take time. It will also require a long-term commitment from all levels of government and continuous engagement with peaks and industry bodies.

National Shelter urges the Australian Government to deliver a NHHP that:

- ✓ is **founded on Australia's international obligations** to realise the human right to adequate housing;
- ✓ is **enshrined in legislation** to ensure ongoing national leadership;
- ✓ **includes clear objectives, ministerial level responsibility, and a plan for delivery** including responsible agencies and oversight and accountability mechanisms (e.g. parliamentary reporting); and
- ✓ **includes identified investment, operational funding and resources** for effective development and implementation.

## Our five Key Policies for adoption by the Australian Government

The 'Case for legislating the National Housing and Homelessness Plan' open letter, signed by over 115 community organisations and peak bodies, leading housing academics, economists and policy makers, provides further detail on the rationale for these recommendations. [2]

The NHHP must include adequate funding for the provision of homelessness services.

2

**Increase annual investment in delivery of a long term, social and affordable housing supply pipeline to \$2 billion per year, through the Housing Australia Future Fund (HAFF), or an alternative funding mechanism, leveraging State and private investment.**

We recognise the Australian and State/Territory Governments' recent policy and funding commitments that, together, provide a foundation for relieving high and growing levels of homelessness and rental stress across Australia. The 40,000 new social and affordable rental homes funded through the HAFF, the National Housing Accord, the Social Housing Accelerator, and additional investment in the National Housing Infrastructure Facility (NHIF), represent significant progress towards addressing homelessness and unmet housing need. Together, these policies are delivering significant housing outcomes across Australia, and we urge the Government to continue to build on this momentum, and recognise the buy-in and engagement that the community housing, construction and finance sectors have committed to the successful delivery of social and affordable housing for Australians in need.

However, the extent of unmet housing need amongst lower-income households requires a long-term and sustained response. We urge Government to strengthen the HAFF so that it continues delivering results across Australia. As of 2021 there were 640,000 households either experiencing homelessness or rental stress, that is, paying more than 30% of household income on housing costs. Without appropriate and urgent policy responses this situation will worsen and is forecast to rise to affect almost one million households by 2041 [3]. The human cost and impact, as well as the cost to the Australian economy and local communities are significant. The investment needs to be increased, and long-term and continuous, not through a start and stop approach based on short-term electoral cycles.

Australia is at a pivotal point in housing policy and must seize this opportunity. The governance and policy architecture, structures and expertise now in place can effectively drive housing policy and supply delivery to urgently address unmet housing need. Housing Australia, the National Housing Supply and Affordability Council and the impending National Housing and Homelessness Plan, all have the potential to provide the vital institutional and policy framework to support a coordinated approach to achieve a healthy and sustainable housing system.

## Our five Key Policies for adoption by the Australian Government

To leverage these outcomes, to continue the momentum of the HAFF, and to provide certainty and confidence to the institutional finance sector, the building and construction industries and community housing providers, there must be a longer-term pipeline and funding for certain social and affordable housing delivery extending past 2030. To achieve this goal would require a quadrupling of the HAFF component of annual investment from \$500M to \$2 billion, or alternatively the equivalent annual investment through another funding mechanism. This would ensure the momentum that has been built on housing delivery to date continues.

This expansion of targeted investment will continue to deliver more homes, achieve social and economic impact through social and affordable housing infrastructure, prevent and reduce homelessness through targeted housing, services and support, and facilitate more options for capital funding and loans for providers. It will incentivise the construction and property industries, and institutional investors to invest and partner with greater certainty to deliver housing at scale and in the long term. The benefits would include investment in workforce and skills development for apprentices and trades, and provide ongoing housing developments, acting as countercyclical investment during market downturns.

An extended HAFF or funding investment equivalent would also facilitate more complex or bespoke developments including those that require tailored partnerships and longer - term planning for particular cohorts, including housing with support for people with complex needs, or to build organisational capacity, for example in Aboriginal community housing providers. Extended and increased investment would enable the delivery of diverse, inclusive and well-designed housing solutions, in accordance with HAFF policy intent as well as the NHHP.

In addition, a longer-term program would assist in establishing social and affordable housing as a new asset class for institutional investment [4] and provide an incentive for matching contributions from State and Territory Governments to be negotiated via an updated National Agreement on Social Housing and Homelessness.

To make meaningful, rapid progress to address the housing crisis, the Australian Government must:

- ✓ **At a minimum, quadruple the funding of the HAFF to \$40 billion (\$2 billion per annum)**, or implement an alternative funding mechanism with equivalent investment given the scale of the need for new social and affordable housing;
- ✓ **Leverage the impact of the funding investment** by requiring States/Territories to match funding;
- ✓ **Leverage private investment** (e.g. superannuation funds) by offering partnerships to private investors looking for stable, long term fixed returns; and
- ✓ **Aim for '1 in 10 in 20'**: one in ten homes to be social and affordable within 20 years.

### Implement national minimum standards to guarantee fair and affordable rental protections, quality homes and a better deal for renters

Secure, adequate and affordable housing is the foundation of physical and mental wellbeing. Stable housing also underpins social and economic participation and contributes to thriving communities. In the last three decades, the proportion of people who rent their homes from private landlords has been rising steadily, from 18.4% in 1994-95 to 26.2% in 2019-20. [5]

The private rental market has failed to deliver housing that is secure, affordable, and adapted to the diverse needs of many renters. A quarter of households live in housing stress, paying in excess of 30% of their income in housing costs. For private renters, this proportion climbs to a staggering 58%. [6] The proportion of households living in social housing has fallen to historical lows of 4.1% of all households. [7] Additional increases in Commonwealth Rent Assistance (CRA) are crucial to address decades of under-indexation and alleviate the financial strain caused by unaffordable rents, causing vulnerable tenants to fall into poverty or homelessness.

In 2023, the National Cabinet agreed to harmonise and strengthen renters' rights across jurisdictions through 'A Better Deal for Renters'. [8] National Shelter commends the significant progress accomplished towards a housing system that adequately balances the rights and responsibilities of renters and landlords. However, more reform and accountability are needed for a harmonised and consistent approach across Australia, particularly for renters living on low incomes or otherwise facing disadvantage.

In 2022, the National Construction Code (NCC) was updated to require that all new dwellings meet the Silver level of the Livable Housing Guidelines. This means dwellings built under new NCC regulations are more accessible for people with reduced mobility through features like step-free access, wider doorways, and design allowing for easier and cheaper retrofitting if needed.

We call on the Australian Government to invest in accessible housing by expanding supply and retrofitting public and social housing to meet Livable Housing Design Standards (LHDG). This is a smart, future-proof investment that will ease pressure on aged care, health, and disability services while supporting an ageing population, workforce participation, and housing security.

A national retrofitting fund should be established to upgrade existing housing and provide direct support for accessibility modifications. These measures will save governments money in the long term by reducing costly retrofits, delaying aged care admissions, and keeping more people in their homes and communities. A commitment to accessible housing will create a more inclusive, sustainable, and economically sound future. We call on all parties to prioritise this in their election platforms.

## Our five Key Policies for adoption by the Australian Government

National Shelter strongly advocates for the introduction of nationally consistent legally enforceable standards to ensure healthy homes for renters. Minimum energy efficiency standards would reduce utility costs and contribute to climate change mitigation and adaptation. ‘*The Community Sector Blueprint: A National Framework for Minimum Energy Efficiency Rental Requirements*’ [9] provides the rationale and key elements to develop such standards.

We urge the Australian Government to:

- ✔ **Lift the maximum threshold rate of Commonwealth Rent Assistance (CRA) rate by 60%** to reflect rising rental costs and expand eligibility to support more lower income renters;
- ✔ **Review and redesign CRA**, including levels of payment and eligibility rules, to ensure people living on low incomes who rent their homes, and those living in marginal accommodation receive the support that they need to eliminate housing rental stress;
- ✔ **Continue the implementation of ‘A Better Deal for Renters’** or introduce an equivalent policy across the nation, creating a national set of minimum standards, including monitoring and compliance mechanisms across jurisdictions, to make renting fair, secure, and affordable.
- ✔ **Implement national minimum rental standards** to guarantee all rental properties meet essential safety, health, and liveability requirements. Uniform national protections will enhance tenant safety, health, and quality of life, while addressing unfair practices and ensuring equitable housing conditions for all renters.
- ✔ **Develop and implement legally enforceable, nationally consistent minimum quality standards for rental properties**, including minimum energy efficiency standards in line with the Community Sector Blueprint: A National Framework for Minimum Energy Efficiency Rental Requirements. These standards will protect tenants from extreme cold and heat and other unsafe and unhealthy housing conditions. and
- ✔ **Continue to encourage the growth of Build to Rent (BTR)** and other institutional rental housing products through tax and planning system incentives, conditioned to deliver a minimum number of regulated affordable housing dwellings. [10]

4

**Implement a package of tax reforms to ease the housing crisis, improve affordability for people on low and moderate incomes, and reduce inequality.**

The Commonwealth expends around \$1.5 billion on Capital Gains Tax (CGT) discounts for investors alone and \$2.4 billion on negative gearing annually. [11] Negative gearing and CGT discounts are not restricted to particular tenancies or properties, encouraging speculation on housing. Rather than increasing the overall number of homes available, they make it harder for people to transition from renting to home ownership. They also overwhelmingly flow to high-income earners.

## Our five Key Policies for adoption by the Australian Government

Our tax system is contributing to housing “as an investment” rather than “housing as a home”, in an environment where people have insecure housing and homelessness is on the rise.

National Shelter urges the Government to implement a package of tax reforms and policies. The key elements of this package are:

- ✔ **Reduce the CGT discount to 25% for all investors**, phased in over 5 years;
- ✔ **Restrict deductions for passive investment in assets yielding capital gains** to income from the same asset class (remove negative gearing);
- ✔ **Restrict negative gearing to newly built properties** to ensure the policy rationale of supporting new private rental supply - from the 2025/2026 financial year; and
- ✔ **Reinvest the revenue raised and saved** to fund quality, climate-resilient, energy-efficient social and affordable housing to meet the existing and projected unmet need.

This policy reform package seeks to enhance housing affordability, ease housing stress, address homelessness and system inequity, boost home ownership, increase government revenue, and decrease market volatility. It will smooth out surges in housing demand while expanding overall supply of rental properties, which will assist in addressing homelessness. If implemented gradually, any potential drop in private rental housing investment is expected to be offset by a transition of renters into more affordable home ownership or new social housing funded by the revenue from the tax reforms.

5

**Lead development of a National Framework for Inclusionary Zoning to generate a recurrent, sustainable supply of social and affordable housing in new developments.**

There is an urgent need to take the pressure off the private rental sector, provide homes for lower-income households, ease the social and economic problems linked to insecure and poorly located homes, and create inclusive communities. By 2041, Australia will need one million additional homes that are affordable to lower-income households.

Governments across Australia are actively exploring ways to use planning systems to better deliver affordable homes. However, a lack of coordination, consistency and clarity risks reducing acceptance of such measures among the development industry, local communities and other stakeholders.



## Our five Key Policies for adoption by the Australian Government

Inclusionary zoning frameworks provide market-driven, cost-effective policy solutions that embed social and affordable housing within new residential developments, reducing reliance on government intervention, by requiring developers to include a proportion of social and affordable housing in new developments. Under a clear Inclusionary Zoning Framework, contributions are integrated into the prices developers are prepared to pay for land and don't affect development feasibility in the context of upzoning and rezoning and/or rapidly increasing land values.

Inclusionary zoning for social and affordable housing is a proven method to deliver affordable housing options, and integrates an agreed percentage or number of social and affordable homes into existing planning, development and infrastructure funding processes. It complements other efforts of all tiers of government to respond to Australia's housing crisis.

Our proposal for a National Framework incorporates the five principles developed in the Constellation Project Mandatory Inclusionary Zoning Framework (MIZ) [12] and ensures a nationally consistent approach.

National Shelter urges the Australian Government to lead the development of a National Framework for Inclusionary Zoning to generate a recurrent, sustainable supply of social and affordable housing in new developments. This Framework should:

- ✔ **Set out a consistent national vision for the use of Inclusionary Zoning and Planning across the States and Territories**, including specifying roles and responsibilities and a timeline for implementation;
- ✔ **Acknowledge the role of State and Territory land use planning and development systems in inclusionary zoning** and support necessary reforms in those systems; and
- ✔ **Be pledged as an action** under the National Housing and Homelessness Plan or the National Housing Accord and implemented through the new National Agreement on Social Housing and Homelessness.

## Contact Us



# References

- [1] See the full list of principles on the [National Shelter website](#)
- [2] 'The Case for legislating the National Housing and Homelessness Plan' (Open letter to the Hon. Julie Collins MP, Minister for Housing, Homelessness and Small Business, 28 May 2024)
- [3] <https://www.communityhousing.com.au/wp-content/uploads/2022/11/CHIA-housing-need-national-snapshot-v1.0.pdf?x22076>
- [4] [ifm\\_investors\\_-\\_investing\\_in\\_australia\\_housing\\_blueprint\\_-\\_dec\\_24.pdf](#)
- [5] Australian Institute of Health and Welfare (2024) Home ownership and housing tenure, AIHW, Australian Government, accessed 14 February 2025.
- [6] Australian Institute of Health and Welfare (2024) Housing affordability, AIHW, Australian Government, accessed 14 February 2025.
- [7] Australian Institute of Health and Welfare (2024) Housing assistance in Australia 2024, AIHW, Australian Government, accessed 14 February 2025.
- [8] Prime Minister of Australia, The Hon. Anthony Albanese MP (Media release, 16 August 2023) 'Meeting of National Cabinet - Working together to deliver better housing outcomes'
- [9] Healthy Homes for Renters, 'Community Sector Blueprint: A National Framework for Minimum Energy Efficiency Rental Requirements' (Report, 28 November 2022).
- [10] We note the recent tax incentives giving owners and investors in eligible BTR developments access to an accelerated deduction of 4% for capital works relating to BTR developments and a concessional final withholding tax rate of 15% on eligible fund payments (amounts referable to rental income and capital gains from the BTR development). Australian Taxation Office, 'Build to Rent development tax incentives' (Webpage, 14 February 2025)
- [11] Dodson, J & Davies, L. (2024) Establishing a National Rental Regulation System for Australia: Making landlord tax concessions work harder for low-income tenant social outcomes; Policy Discussion Paper, Centre for Urban Research; Melbourne, RMIT University.
- [12] [https://theconstellationproject.com.au/wp-content/uploads/2023/11/Framework\\_MIZ-national-framework\\_2023.pptx-1.pdf](https://theconstellationproject.com.au/wp-content/uploads/2023/11/Framework_MIZ-national-framework_2023.pptx-1.pdf)