



**CHRIS BOWEN MP
SHADOW TREASURER
SHADOW MINISTER FOR SMALL BUSINESS
MEMBER FOR MCMAHON**

**SENATOR DOUG CAMERON
SHADOW MINISTER FOR SKILLS, TAFE AND APPRENTICESHIPS
SHADOW MINISTER FOR HOUSING AND HOMELESSNESS
SENATOR FOR NEW SOUTH WALES**

LABOR'S HOUSING PLAN TO BOOST ECONOMY AND CREATE JOBS

New research shows Labor's plan to build 250,000 new affordable rental homes will create new jobs, boost economic activity and taking pressure off the budget.

Independent modelling by the McKell Institute released today found Labor's record investment in affordable housing will deliver significant social and economic benefits for the next decade and beyond.

The analysis by PricewaterhouseCooper found Labor's plan has the capacity to save the budget up to \$11 billion over the long term, while generating \$40 billion in economic activity and supporting 46,000 new jobs each year.

Australian families struggling with increasing rental stress will also be assisted to achieve improved health and employment outcomes, and greater community and

social inclusion.

Under the Liberals, there is a severe shortage of affordable rental housing and many families are struggling to find and keep a roof over their heads.

The Productivity Commission revealed in February that a record 599,049 low income households are experiencing rental stress, with single mothers and their children most at risk.

The McKell Institute has echoed the Liberals' own Affordable Housing Working Group by concluding that government investment is *essential* to improving affordable housing supply. It states:

*“Without regulation and a government policy that incentivises private investment, **the market does not deliver affordable rental options for those on low, or even moderate, incomes with almost 80 per cent of new housing stock priced at the upper end of the market.**”*

A comprehensive, long-term Government commitment to address the supply of affordable rental properties is needed.”

The Liberals have spent the past five years ignoring the affordability crisis and refusing to make the necessary investment to increase Australia's stock of affordable rental housing.

Only a Shorten Labor Government will address the profound shortage of affordable housing.

Labor will reform and extend the National Rental Affordability Scheme (NRAS) to build 250,000 new affordable rental dwellings over a decade in partnership with the community housing sector.

Properties will be available for at least 20 per cent below market rent – a family paying the national rental average of \$462 a week could save up to \$92 a week under Labor's plan.

Labor's construction plan will be complemented by a broader reform agenda to improve housing affordability and supply including:

- Reforming negative gearing and putting it to work supporting new housing construction and supply by ensuring deductions can only be claimed on newly built homes.
- Revamp the Build-to-Rent scheme by giving institutional investors better tax concessions, encouraging more construction and stimulating the housing market.

This election is a choice between a Shorten Labor Government with a plan for housing affordability and supply, or more neglect, cuts and chaos from the Liberals.

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MEDIA CONTACT: LABOR CAMPAIGN MEDIA - 02 9165 8299

Authorised by Noah Carroll, ALP, Canberra.