

## Four outdated assumptions prevent progress on affordable housing – to everyone's cost

Written by Fiona McKenzie, Co-Founder and Director of Strategy, Australian Futures Project, La Trobe University

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It is not well appreciated that the requirements of affordable housing are related to – but not the same as – those for housing affordability. AAP/Sam Mooy

Housing influences everything from productivity and employment through to intergenerational poverty and childhood education. Yet outdated concepts and thinking are shaping Australia's troubled housing system.

[My recent research](#) – involving in-depth interviews with leaders across government, NGOs, the private sector and academia – identified four misguided assumptions about affordable housing.

These key assumptions are about:

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the difference between housing affordability and affordable housing;

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home ownership versus renting;

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stereotypes about those in need of affordable housing; and

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voters not valuing affordable housing.

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Tackling these assumptions could help change how Australians think about their housing system.

### Housing affordability versus affordable housing

The cost of home ownership has long been of concern for governments and people. These discussions largely relate to “housing affordability”, as it applies to those who live in – or aspire to live in – their own home.

There are two other categories in the housing market, which are less glamorous and well publicised. These are those in the private rental market (with or without government assistance), and those who cannot access the private rental market (and thus require access to [social housing](#) ).

“Affordable housing” largely relates to these latter two categories. Specifically, it refers to public and community housing, as well as the affordable end of the private rental market.

It is not well appreciated that the requirements of affordable housing are related to – but not the same as – those for housing affordability. The challenges of home ownership for middle-to-high-income earners are very different to the [struggles of low-income earners](#) in finding a place to rent – let alone own. Yet there is an assumption that increasing supply is a silver bullet for both groups.

However, increasing supply for middle-to-high-income earners doesn't necessarily create more affordable housing for low-income earners. The benefits don't simply trickle down.

Likewise, actions to improve affordable housing do not necessarily relate to, or affect, the housing investments of middle-to-high-income earners.

### Prioritising home ownership over renting

Home ownership is not possible for many, due to various life circumstances. Some people may

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have been able to access social housing or, due to decade-long [waiting lists](#), have been exposed to the [vagaries of the private rental market](#)

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For others, renting is a choice. Private rental has become a long-term option for many Australians: [about one-third](#) of Australian households rent.

Despite its importance, the rental market remains the [least secure](#) and [most neglected](#) pillar of our housing system. Neglect has led to a [chronic shortage](#) of affordable rental properties for low-to-moderate-income earners, particularly anywhere near employment.

Australia also lags behind many other countries when it comes to tenancy regulations. Leases of 12 months or less are the norm.

Culturally, home ownership is still [seen as superior](#) to renting. Such deeply entrenched views accompany an assumption that renting is a [short-term transitional phase](#), not a desirable end state.

## Stigmas and stereotyping of those in need

Stereotypes abound about those who require affordable housing. This, in part, is fuelled by media portrayals and lack of lived experience.

People who experience housing stress or need assistance are in fact diverse. They include the homeless through to essential workers on moderate incomes.

A significant proportion of [people in social housing](#) are aged under 14 or older than 55. Home owners can even encounter unforeseen surprises:

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[one in five](#)

experience instability in their housing tenure.

Stigmas associated with affordable housing can lead to a wider lack of empathy for those in need, and a reluctance to ask for help by those who need it.

The alienation of those with a mental illness or [disability](#) can be even worse. This has many implications, not least for planning decisions. A

[“not in my backyard” mentality](#)

of local residents has

[blocked more than one plan](#)

for affordable housing.

### Voters not valuing affordable housing

Government at all levels play an active role in Australia's housing system. Taxation settings, financial regulation, infrastructure development, land use planning, immigration and income support all affect housing outcomes. Likewise, commercial operators, NGO, government and community housing providers are all shaped by the regulatory and policy structures of government (and its many silos).

The fragmentation in policies, providers and services perpetuates the serious gaps in housing provision.

[Mental health patients](#) in hospitals and [domestic violence victims](#) are unable to leave because their only pathway is homelessness. Desperate families

[compromise on food, education and health](#)

while waiting on social housing availability.

Significant frustrations expressed with government decision-making are at least partly voters' responsibility. The electorate seems to tolerate perpetual changes of government policies and the inconsistencies in state and Commonwealth government objectives.

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Shelter is a key part of our existence. Yet a lack of wider public awareness about the role affordable housing plays in both society and the economy means voters don't rate it as a priority. Until they do, governments are unlikely to make it a priority, either.

*This research was undertaken by the Australian Futures Project. It was commissioned by the National Australia Bank as part of their commitment to working with stakeholders to explore solutions to improve affordable housing.*

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**Read more** <http://theconversation.com/four-outdated-assumptions-prevent-progress-on-affordable-housing-to-everyones-cost-80198>