

Funding gap: 1.3-million households need help for affordable housing, Ahuri says

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Over 500,000 households can't afford the private rental market, keeping people in sharehouse and other arrangements, think tank Ahuri estimates. **Joselito Briones**



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by [Michael Bleby](#)

More than 1.3 million households cannot afford the private rental market or need assistance to rent without putting themselves in financial stress, a [report](#) by housing think tank Ahuri says.

The provisional figures estimate that as many as 527,000 households are unable to access market housing and a further 806,000 households need assistance to bring

their rental costs below the accepted cut-off measure of 30 per cent of household income that indicates rental stress.

Without changes to boost the supply of affordable rental housing – such as through the now-discontinued [National Rental Affordability Scheme](#) – the total number of households in what Ahuri terms "housing need" will rise to nearly 1.75-million by 2025, or from 14 per cent of all households currently to 16 per cent.

The estimated 527,000 households – based on assumptions such as household formation rates, ageing, marriage and divorce rates – revealed a larger number of households than were on public housing waiting lists, said Steven Rowley, one of the report's authors and an academic at Curtin University.

"They might be young people living at home without the income to move out, or people in group shared housing who want to form their own household on their own, but the only way they can is through sharing," Dr Rowley said.

"It's a completely different household picture than they would choose because they can't go and form households on their own. That's where the big gap is in terms of subsidised housing."

The deteriorating picture of [housing affordability](#) – which affects both the rental and purchase markets – was also apparent in June when Census 2016 figures showed the number of households in Sydney with six or more people jumped 21 per cent from five years earlier.

Separate figures this week from the latest annual Household Income and Labour Dynamics in Australia (HILDA) survey show [home ownership among under-40-year-olds fell](#) from 36 per cent to 25 per cent in the 12 years to 2014.

Read more: <http://www.afr.com/real-estate/funding-gap-13million-households-need-help-for-affordable-housing-ahuri-says-20170802-gxnsaj#ixzz4olxmGGwN>

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