

NHFIC to become Australia's new housing research body



[Michael Bleby](#) Senior Reporter
Sep 30, 2019 — 2.25pm

In addition to running the government's [first home buyer loan guarantee scheme](#), the National Housing Finance and Investment Corporation will take on a much-needed role analysing housing supply and demand that the country and housing industry have lacked since the Coalition government abolished the former National Housing Supply Council in 2013.

The so-called bond aggregator established last year would expand to become a “Centre of Excellence” for housing data to inform housing policy and industry decisions, Treasurer Josh Frydenberg told The Australian Financial Review Property Summit 2019 last week.



Research needed to inform broader industry views and decisions: Treasurer Josh Frydenberg. *Peter Braig*

"It's important that we make data open to you," Mr Frydenberg said.

"This is not just to inform government decision making, it's to inform broader industry views and decisions. So we're working through the details of that research function. But it is important for us as a government [that you] have access to the data as well."

Boosting NHFIC's research capability – a four-year, \$25 million investment the Coalition promised during this year's federal election campaign – is crucial at a time when the future of the housing market is unclear.

A faster-than-expected slowdown in housing construction in the June quarter [prompted economists to cut their expectations](#) ahead of the country's anaemic second-quarter GDP figures, which returned [a decade-low annual growth rate of 1.4 per cent](#).

NHFIC's final responsibilities in its new analysis role will only be determined after a public consultation period. Officials say they want to avoid overlap with existing data sources and work out what gaps there are.

Wendy Hayhurst, the chief executive of the Community Housing Industry Association, which represents affordable housing providers, said one of the NHFIC's functions should be to assess the need for affordable housing nationally.



We have no housing needs methodology: Wendy Hayhurst. *Dominic Lorrimer*

"We don't have a consistent way of doing the calculation," Ms Hayhurst said. "We have no housing needs methodology."

Legislation to amend NHFIC's role, the *National Housing Finance and Investment Corporation Amendment Bill 2019*, has already passed the lower house. The Senate's Economics Legislation Committee is due to report on it by 10 October.

The former [council](#), set up by the Labor government of Kevin Rudd in 2008 to monitor housing demand, supply and affordability and to highlight current and potential gaps between housing supply and demand, was abolished under his Liberal successor Tony Abbott in 2013.

Ms Hayhurst said she was pleased that a function like that of the former supply council was being resurrected.

"It will be a welcome return to it," Ms Hayhurst said.

Having a body such as NHFIC conduct analysis on the housing market meant it could directly use its own data for other roles it played, such as overseeing the first home buyer loan guarantee scheme, Ms Hayhurst said.

This could potentially make it more effective than the former council, which could only advise and had no ability to act on its findings, she said.