



# A crisis or not a crisis?

Local governments' analyses of housing  
affordability

Alan Morris , Andrew Beer, John Martin, Sandy Horne,  
Trevor Budge, Chris Paris and Catherine Davis



## The central aim and argument

- Study draws on a national survey of local government (ARC Linkage, Local Government and Housing in Australia for the 21<sup>st</sup> Century).
- Key aim to establish how Councils in different contexts perceive housing affordability and policy around this issue in their LGA.
- Key argument / finding – very significant differences. Sydney and Melbourne (combined) are in a different world compared to other domains in regards to local government and housing affordability and policy.

## Overview of the 178 Councils that responded to the survey

---

<b>Council</b>	<b>Count</b>	<b>Percentage</b>
Sydney (18) & Melbourne (13)	31	17
Other metro	27	15
Regional	63	35
Rural	57	32
<b>Grand Total</b>	<b>178</b>	<b>100</b>

---

# Perceptions of housing affordability

Photos by Sandy Horne



**In the view of the Council, to what extent is there a housing affordability problem in the area?**

	Very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substantial extent %
Sydney & Melbourne	3	0	29	19	48
Other metro	11	15	44	30	0
Regional	16	25	33	22	3
Rural	20	16	41	18	5
Grand Total	14	16	37	21	11

**In your estimation, what proportion of housing stock within your Council area could be considered affordable?**

	5% or less %	10% %	15% %	20% or more %
Sydney & Melbourne	68	13	6	13
Other metro	26	30	7	37
Regional	18	19	10	53
Rural	4	20	13	64
Grand Total	23	20	10	47

# Key workers



**How concerned is your Council about the impact of the ability of key workers to live in your local government area due to the high cost of housing?**

	Not relevant %	Not at all concerned %	Slightly concerned %	Moderately concerned %	Very concerned %	Extremely concerned %
Sydney & Melbourne	3	3	16	16	35	26
Other metro	12	35	15	12	19	8
Regional	11	32	18	26	11	2
Rural	12	30	19	23	7	9
Grand Total	10	27	18	21	15	9





# Housing policy around affordability

**To what extent is finding ways to provide adequate affordable housing in your LGA a priority for your Council?**

	Very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substantial extent %
Sydney & Melbourne	10	16	39	32	3
Other metro	22	37	22	19	0
Regional	25	29	29	14	3
Rural	26	23	37	11	4
Grand Total	22	26	32	17	3

**To what extent do elected members of Council give housing affordability attention?**

	Very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substantial extent %
Sydney & Melbourne	13	6	52	26	3
Other metro	30	26	41	4	0
Regional	21	37	32	10	2
Rural	23	28	33	14	2
Grand Total	21	27	37	13	2

**What level of priority has your Council given housing issues relative to other Council business?**

	Very low %	Low %	Moderate %	High %	Very high %
Sydney & Melbourne	3	13	27	53	3
Other metro	11	22	41	26	0
Regional	11	33	33	17	5
Rural	11	44	26	16	4
Grand Total	10	32	31	24	3

**To what extent do changes in the composition of councillors  
impact on your Council's housing priorities?**

	Unsure %	Very limited extent %	Limited extent %	Some extent %	Very substantial extent %
Sydney & Melbourne	3	3	19	42	32
Other metro	7	15	33	30	15
Regional	3	32	35	24	6
Rural	7	39	32	21	2
Grand Total	5	26	31	27	11

**How extreme are the challenges, barriers or issues for addressing affordable housing by local governments?**

	No challenges/barriers/issues %	Limited challenges/barriers/issues %	Some challenges/barriers/issues %	Substantial challenges/barriers/issues %	Very substantial challenges/barriers/issues %
Sydney & Melbourne	3	0	6	65	26
Other metro	4	4	26	48	19
Regional	10	14	40	35	2
Rural	11	13	29	27	21
Grand Total	8	10	28	40	15

**Is there an explicit housing affordability target or goal within Council?**

	No %	Yes %
Sydney & Melbourne	74	26
Other metro	89	11
Regional	87	13
Rural	95	5
Grand Total	88	12

**Would you describe your Council's policies relating to housing in your area as comprehensive?**

	Not at all %	To a very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substanti al extent %
Sydney & Melbourne	3	3	10	47	37	0
Other metro	7	19	22	33	15	4
Regional	15	21	24	24	16	0
Rural	35	18	29	13	4	2
Grand Total	18	17	23	26	16	1





Overcrowding  
and homelessness

**In the view of Council to what extent is  
overcrowding of homes an issue in your area?**

	Very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substantial extent %
Sydney & Melbourne	23	39	32	6	0
Other metro	63	30	4	4	0
Regional	54	32	11	3	0
Rural	61	16	11	7	5
Grand Total	52	28	13	5	2

**To what extent is homelessness a problem in your  
Council area?**

	Do not know %	Very limited extent %	Limited extent %	Some extent %	Substantial extent %	Very substantial extent %
Sydney & Melbourne	3	13	13	40	27	3
Other metro	0	38	31	15	8	8
Regional	10	17	30	38	5	0
Rural	5	49	28	12	4	2
Grand Total	6	30	27	27	9	2

**Is it your perception that homelessness in your  
Council area has increased over the last 5 years to ...**

	Do not know %	A very limited extent %	A limited extent %	Some extent %	A substantial extent %	A very substantial extent %
Sydney & Melbourne	23	10	7	29	26	7
Other metro	46	26	7	11	11	0
Regional	27	16	24	29	3	2
Rural	39	30	14	16	2	0
Grand Total	33	21	15	22	8	2

**Does your Council have a formal homelessness  
policy or set of strategies?**

	No %	Yes %
Sydney & Melbourne	58	42
Other metro	93	7
Regional	92	8
Rural	98	2
Grand Total	88	12

What level/s of  
government are  
responsible  
for housing?



**Who would your Council say is primarily responsible for addressing the problems associated with housing in Australia?**

	A combination of all levels of government %	Local councils %	Non-government organisations %	The broader community %	The Federal Government %	The State Government %
Sydney & Melbourne	42	0	0	0	13	45
Other metro	41	0	4	0	11	44
Regional	57	2	2	0	10	30
Rural	49	0	2	4	11	35
Grand Total	49	1	2	1	11	37

# Immigration: Is it an issue?





## How concerned is your Council about the impact of immigration?

	Not relevant %	Not at all concerned %	Slightly concerned %	Moderately concerned %	Very concerned %	Extremely concerned %
Sydney & Melbourne	7	57	13	17	7	0
Other metro	12	50	23	8	0	8
Regional	21	47	23	7	3	0
Rural	39	47	11	4	0	0
Grand Total	23	49	17	7	2	1

# Conclusions

- Local governments' perceptions of housing affordability clearly dependent on location.
- Most local governments in Sydney and Melbourne have a clear sense that there is a housing affordability crisis in their LGA, but feel that there is not much that they can do.
- Awareness of the issue cannot translate into substantial action / practical policy.
- Strong sense that state and federal governments have to step up.