



ESLAKE TO CONTRIBUTE TO VISION FOR SUSTAINABLE FUNDING FUTURE

1 June 2011

What	CHFV Conference 2011
When	8.45am-5.00pm, Tuesday July 19
Where	Etihad Stadium – Victory Room

High profile economist Saul Eslake will feature in the lead session of the CHFV's inaugural conference, helping set the framework for a discussion on the approach required for the sector to establish sustainable funding streams into the future.

In particular the conference will focus on how the sector can best engage the superannuation and funds management sector in realising community housing's potential as a reliable and appealing asset class that can deliver attractive returns while being considered a low risk investment.

Mr. Eslake has run a very public campaign this year in questioning the value of demand-side fiscal initiatives such as the First Home-Owners Grant. While proving an attractive political carrot for voters over decades, the long term failure of this policy to make homes more affordable to people on low incomes has influenced economic commentators, including Mr. Eslake, calling for a greater emphasis on supply-side housing initiatives.

"At a structural level, we can turn revenue currently foregone by the Government into funds that can be used to directly address the supply of affordable housing simply through better targeted interventions," says Mr. Eslake, Program Director at the Grattan Institute. "For example, the public sector revenue earned through the abolition of negative gearing – for all types of investment – could be used to build nearly 20,000 affordable homes each year."

While the community housing sector can make a significant contribution to increasing the supply of affordable rental properties throughout Victoria, the conference will be significant in connecting leaders in community housing with the superannuation and private investment community to create a constructive two-way dialogue: For community housing to understand the criteria that needs to be met in order to be considered an attractive asset



class, and for the investment sector to understand the capability of community housing organisations and the investment potential it represents.

“The community housing sector needs to look at its options for funding future growth – more rational targeting of Federal Government housing policy and establishing an attractive investment environment for the private sector are two major opportunities,” says Mr. Eslake.

The community housing sector in Victoria has proven its credentials as an effective supplier of quality affordable rental housing by delivering around 5,000 homes across the last four years at a cost of \$1.05 Billion, delivering properties at a cost to the taxpayer of just \$190,000 per dwelling. This result was based on an agreement between the State Government and community housing organisations to fund projects on a 75/25 funding split.

“There is tremendous potential in the Victorian community housing sector to address the housing affordability crisis across the State, and CHFV is of the opinion that to solve this problem we need to work successfully with Government at all levels and the private sector. CHFV Conference 2011 will help us identify how these future working relationships should look,” says Jacqui Watt, CHFV’s CEO.

For more information on the event, visit www.chfv.org.au/conferences or contact CHFV at 03 9654 6077.

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