

Australian report details massive shortfall in social housing provision by Victorian Labor government

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A recently published report, titled “Growing Social Housing: Data, insights and targets,” detailed the chronic shortfall of social housing in the Australian state of Victoria, and the number of additional homes needed over the next 25 years.

The report was issued by the policy consultancy group SGS Economics and Planning, who were commissioned by the Victorian Housing Peaks Alliance. This comprises eight allied non-government organisations that deal with the housing crisis—Aboriginal Housing Victoria, Community Housing Industry Association (Victoria), Council to Homeless Persons, Justice Connect, Safe + Equal, Tenants Victoria, Victorian Council of Social Service, and Victorian Public Tenants Association.

The “Growing Social Housing” report stated that, “Victoria is in a housing crisis.” This crisis is an Australian-wide one, affecting working class and vulnerable communities in every state and territory. The social housing deficit is however especially acute in Victoria. The report uses the term “social” housing which is the umbrella term for public housing (fully owned and operated by the Victoria government), community housing (operated by not-for-profit housing associations) and Aboriginal Housing.

Victoria has 2.8 million homes but just 86,000 social housing units, representing 3.1 per cent of all housing. This is the lowest proportion of any Australian state, with the average 4.5 percent—itself well below most developed economies.

As of December 2024, more than 55,000 Victorian households were on the waiting list for social housing, up from 50,732 in December 2023.

The report considered four policy scenarios in

calculating new housing needs as follows:

- Maintain Current Share—with this retaining the proportion of social housing at 3.1 percent.
- Achieve National Average—raising the proportion of social housing to 4.5 per cent.
- Meet Expressed Demand—deliver homes for all those currently on social housing waiting lists, as well as those living in housing stress, that is those with a low income that pay more than 30 percent of their income on housing.
- Meet Total Demand—deliver new housing for all known demand and estimated demand from people not currently on social housing waiting lists. This figure is estimated at 10.1 per cent of all housing.

The report’s authors estimated the annual number of new dwellings required for the next decade, and the overall numbers required by the year 2051. The report factors in two scenarios for future population growth—one estimate based on current known growth and another estimate for potential accelerated growth.

In all scenarios, the number of required new dwellings is significant. Based on current known growth by 2051, an extra 45,000 homes would be needed to maintain Victoria’s very low current percentage of social housing. To “Meet Total Demand” by 2051 would require an extra 260,000 homes, that is a quadrupling of the current number of 86,000 social housing units.

While the report provided detailed scenarios of the numbers of social housing units required to meet demand, its conclusions appealed to the Victorian government. Successive state Labor and Liberal governments, however, have presided over decades of underinvestment in, and privatisation of, social

housing. The current plans of the Labor government of Premier Jacinta Allan are at diametric odds with the recommendations of the Victorian Housing Peaks Alliance report.

The state government is planning to destroy 6,600 public housing apartments with the demolition of 44 high rise towers, replacing them with 7,260 social housing apartments as part of its High Rise Replacement Program. This is a net increase of only 660, or 10 percent of dwellings, for 25 years of disruption and billions of dollars spent.

In fact, with a period of 6 to 8 years from eviction to occupation of new dwellings, the overall numbers of social housing units will be reduced during this program of destruction of public housing. While the government is offering alternative housing to evicted tower residents, it means that overall social housing availability and waiting lists will worsen.

The inner-city estates will include approximately 12,540 new private apartments that will reap windfall profits for property developers. The High Rise Replacement Program is motivated by the state Labor government's strategy of divesting itself of any financial responsibility for providing public housing and propping up the rapacious property development industry.

In November 2020, the Victorian Labor government announced its "Big Housing Build" program in response to the ever-deepening housing crisis caused by soaring rents and house prices. Its website states, "more than 10,000 homes complete or underway on Big Housing Build and Regional Housing Fund. In that time, nearly 5,000 households have moved or are getting ready to move into brand new homes."

In other words, the vaunted program has delivered only about 1,200 new dwellings over four years. This has failed to even maintain its below average social housing quota.

The Victorian Housing Peaks Alliance report recommends annual targets ranging from 7,990 new dwellings each year for the next ten years for Victoria to reach the national average of social housing, to 27,900 new dwellings each year for the next ten years to actually meet total demand for social housing.

Appeals to the Victorian Labor government to meet these requirements are futile under conditions where it is slashing expenditure and public sector jobs to reduce

government debt at the behest of the financial markets and credit rating agencies.

The only viable alternative has been provided by the Socialist Equality Party, which has helped established a Neighbourhood Action Committee to oppose the demolition of public housing towers. This committee has oriented public housing residents to the working class—including construction, education and health workers—as the only social force that can prevent this wrecking operation.

The vast gulf between society's need for housing, as outlined in detail in the Victorian Housing Peaks Alliance report, and the ruling elite's agenda, can only be addressed through a socialist program that ensures the provision of housing as a basic social right for all, rather than a source of profit extraction for the banks, property developers and landlords.



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