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MEDIA RELEASE

16 December 2018

Labor housing announcement: no new ideas and not much money

Bill Shorten's housing announcement offers no new ideas – it simply recycles Kevin Rudd's flawed National Rental Affordability Scheme (NRAS.)

And the total investment of \$102 million over the four year forward estimates period barely moves the needle.

By contrast, our Liberal [National](#) Government [will spend](#) more than \$30 billion on housing over the next five years.

“This poorly thought out announcement is entirely consistent with Labor's sorry policy approach to housing – including its plan to cut negative gearing which will drive house prices down further and make life harder for Australians wanting to rent a home,” said Families and Social Services Minister Paul Fletcher.

“Labor's message on housing is clear – If you own a home, Labor will make it worth less. If you rent a home, Labor will make it cost more.”

Mr Fletcher said [over the five years commencing in 2018/19](#), the Liberal National Government [would spend](#) \$7 billion on delivering affordable homes through the National Housing and Homelessness Agreement, plus an additional \$620m on fighting homelessness, and over \$22.5 billion on Commonwealth Rental Assistance to vulnerable Australians to help pay the rent.

“Labor's NRAS scheme left investors vulnerable to scammers and did too little to boost affordable housing stock – but Bill Shorten wants to go back to the same flawed approach,”

NRAS was full of holes from the very beginning, which included:

- No protections for, or even mention of, investors in the legal framework – with the result that dodgy operators have ripped off mum and dad investors.
- The incentive is the same for a one bedroom unit or a four bedroom house – so the scheme has discouraged the construction of bigger houses for families in need.

- The incentive is the same all across Australia – so it is less likely to stimulate new housing in higher cost areas.

“Since we came to Government, we have worked hard to fix the holes in NRAS.

“Now Bill Shorten wants to revive the scheme – but how it will be funded is all smoke and mirrors.

“Almost all of the announced spending occurs after the first four years. What we do know is that they are allocating just \$102 million.

“This is classic Labor. They promise big spending but hide it away beyond the forward estimates because they know they don’t have the money now - and nor are they likely to have it after four years of Labor economic mismanagement and lack of budget discipline.”

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