COMMUNITY HOUSING
Industry Association Victoria

2026 Victorian Election Platform

The Foundations are Laid: Time to Build a Fairer Victoria

August 2026

About CHIA Vic

The Community Housing Industry Association Victoria (CHIA Vic) is the peak body that represents the not-for-profit community housing sector in Victoria. We advocate for and support the community housing sector to grow and thrive as part of a housing system where all Victorians have the dignity of an appropriate, secure and affordable home.

CHIA Vic's member organisations include all community housing organisations (CHOs) registered under the Victorian regulatory framework. Together, these CHOs provide more than 28,000 homes to Victorians poorly served by, or excluded from, the private rental and ownership market.

Acknowledgment of Country

CHIA Vic acknowledges the First Peoples of Victoria and their ongoing strength in practising the world's oldest living culture. We acknowledge the Traditional Owners of the lands and waters on which we live and work and pay our respects to their Elders past and present.

Victoria has been home to First Nations peoples for thousands of years but today too many Aboriginal Victorians don't have the homes they need to thrive. As the peak body for community housing in Victoria, CHIA Vic is committed to housing justice and self-determination for all First Nations Victorians.

Note: this updated document reflects newly available data on applications to the Victorian Housing Register at June 2026.

Contents

Overview

Victoria is in the thick of an ongoing housing crisis, and parts of the housing system are straining. This crisis is most acutely felt by those experiencing or at risk of homelessness or waiting for social housing. Stories of more families and individuals facing housing stress and homelessness are becoming routine – this should and must be a wake-up call for government to take decisive action.

House prices have been growing faster than wages and incomes for decades, so homeownership rates continue to fall. For younger Victorians, homeownership seems permanently out of reach: Monash University's 2025 Australian Youth Barometer found that only 42 per cent of young people thought it likely they will be able to purchase a home.[1]

As a result, the private rental market is overwhelmed: with rental vacancy rates below 3 per cent, queues for rental inspections frequently stretch around street corners. More people are renting into retirement, facing an insecure housing future as they age. Between 2003 and 2023, the number of Australians renting privately in retirement doubled from 6 per cent to 12 per cent.[2] And 45-54 year-olds in the lowest 40 per cent of incomes have seen a substantial decline in homeownership rates, falling from 68 per cent to 54 per cent from 1981 to 2021.[3]

Underlying these problems is the decades-long decline of investment in social housing. This course has been turned around since 2020 with both state and federal governments returning to the field. But the decades of neglect have meant that the social housing safety net only catches those in the most desperate situations. Victoria still lags behind the rest of the country in the proportion of social housing, and to get back up to the national average, needs to be building almost 8,000 social homes a year for the next 10 years.

Rates of homelessness are climbing, and increasingly people in employment are seeking help from homelessness services. In 2013, 6 per cent of people aged over 15 seeking homelessness support held employment.[4] By 2025 this rate had more than doubled to 14 per cent.[5] That's 11,790 people with employment who were worried about becoming – or

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[1] https://bridges.monash.edu/articles/report/The_2025_Australian_Youth_Barometer/30184270?file=59645255, p3.
[2] Bother, F. et al., (2025) 'The 20th Annual Statistical Report of the HILDA Survey', University of Melbourne, https://melbourneinstitute.unimelb.edu.au/__data/assets/pdf_file/0010/5387806/2025-HILDA-Statistical-Report.pdf, p 123.
[3]Bowes, M. et al., (2025) ' Renting in retirement: Why Rent Assistance needs to rise', Grattan Institute, https://grattan.edu.au/report/renting-in-retirement-why-rent-assistance-needs-to-rise/, 3.
[4] AIHW, Specialist homelessness services annual report 2012-13, Data tables: Vic, VIC2.9, https://www.aihw.gov.au/getmedia/163ae583-52e0-4926-bc59-290a0cb0f461/16236-vic2012-13-supplementary-tables.xls.aspx
[5] AIHW, Specialist homelessness services annual report 2024–25, Data tables, CLIENTS.19, https://www.aihw.gov.au/getmedia/2dae7989-90e4-4a70-b1f7-32f23f01bf0c/AIHW-HOU-343-Specialist-homelessness-services-data-tables-2024-25.xlsx

did become – homeless. Having work is no guarantee of having safe and affordable housing in the current housing market.

This is all playing out in the middle of a deepening cost-of-living crisis that is hitting almost all Victorians. As prices on petrol and groceries continue to climb, the added pressure from mortgage or rent increases is squeezing households, forcing them to forego essentials like healthcare and proper meals.

Victorians want government to take action to repair our social safety net and keep communities together, to make sure our most vulnerable are taken care of, and to relieve the cost burden from our most fundamental human need: a safe place to call home. Our 2026 Victorian Election Platform sets out the actions that would do all this.

The next government will have a chance to take up these actions: it can give every Victorian child a safe place to call home, make sure we're doing the most with the land we have, and prevent and end homelessness.

Key to all of this is a long-term commitment to growing non-profit, community housing, for the increasing number of Victorians who, through no fault of their own, simply cannot afford homes at the prices and rents required by the private housing market. Building community housing means rebuilding the safety net for our most vulnerable, and restoring every Victorian's confidence in our community, creating homes for everyone to belong.

The ongoing discrimination of Indigenous Victorians in our housing systems

Any plans to tackle the housing crisis must also address the overrepresentation of Aboriginal Victorians in housing need and homelessness. Despite only being 1 per cent of Victoria's population,[6] 11 per cent of households waiting for social housing are headed by Aboriginal Victorians.[7] And in 2024 over 12.5 per cent of Victorians receiving homelessness support were Aboriginal.[8] The number receiving homelessness support has grown on average 7.3 per cent per year since 2012, almost 3 times the rate of non-Aboriginal clients.

Homeownership rates for Aboriginal Victorians are also far below the rest of the population. In the 2021 Census, just 45.6 per cent of Victorian households with Aboriginal or Torres Strait Islander persons owned their home, compared with 71.7 per cent of the rest of the population.[9] This means Aboriginal Victorians are reliant on a private rental

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[6] https://www.abs.gov.au/articles/victoria-aboriginal-and-torres-strait-islander-population-summary
[7] https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr
[8] https://www.aihw.gov.au/getmedia/669d9060-8ba6-4605-a92e-79b1ba8c6ae8/AIHW-HOU-339-Specialist-homelessness-services-historical-tables-2011-12-to-2023-24.xlsx
[9] https://www.indigenoushpf.gov.au/measures/2-01-housing

system which is increasingly unaffordable and where they face systemic discrimination.[10] And it means they're also over-represented in social housing, and particularly on the still far-too-long waitlist.

The Victorian Aboriginal Housing and Homelessness Framework – *Mana-na worn-tyeen maar-takoort (Every Aboriginal Person Has a Home)* – released in 2020 sets out the path that we all must follow to fix this housing injustice. Since then, the Victorian Government has implemented some parts of it which has been welcome. The next government must commit to following through on the work that is still left to do.

In line with the Framework's major social housing recommendation, our Election Platform proposes a guarantee of at least 10 per cent of all social housing growth for Aboriginal Victorians as an overarching principle. Where recommendations carry more detailed or specific plans to provide housing justice for Aboriginal Victorians, we also make this clear.

In supporting *Mana-na woorn-tyeen maar-takoort* – as well as its ongoing commitment to Truth, Treaty, and Voice – the Victorian Government has made great strides in advancing Aboriginal self-determination. The next elected government must continue this work and ensure that every Aboriginal person in Victoria has a home.

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[10] See Stone et al. (2021), 'Aboriginal private rental access in Victoria: "Excluded from the start" ', Swinburne University of Technology, https://apo.org.au/node/320072

Recommendations

Recommendation 1: inject $6 billion into the Social Housing Growth Fund to build 20,000 homes over 10 years, ensuring that at least 10 per cent of these homes are delivered by Aboriginal Community Controlled Organisations.

Recommendation 2: enhance the transparency, funding, and procurement settings of the Social Housing Growth Fund to improve its cost-effectiveness and ensure it builds homes for those most in need.

Recommendation 3: set up a fund providing $80m a year for CHOs to spot-purchase sites that can be turned into up to 17,000 new social homes.

Recommendation 4: create a dedicated social housing support program to build community, keep renters in their homes, and help end homelessness

Recommendation 5: commit to fully retrofitting the community housing sector's dwellings so that all renters get lower energy bills, more comfortable homes, and Victoria reaches its climate action targets

Giving every Victorian child a safe place to call home

The state of things

The housing crisis affects young Victorians perhaps more than any other group.

In June 2026 at least 8,580 of the 33,253 priority applications on the Victorian Housing Register (VHR) included dependents or young people under 25 in the household. Almost a fifth of these (5,708) were in single-parent households, and another 2,236 are young people as the sole applicant.

At least a further 10,457 households with young people are waiting on the Register of Interest. All up, this means at least 19,407 families with children are waiting for social housing – over a third of the entire waitlist.

Most of these families cannot and will not get secure and affordable housing through the ownership or private rental markets. Prices are already out of reach and getting further away, and rentals have historically low vacancy rates, with rents rising faster than incomes. These children and their families rely on social housing to give them a safe roof over their head.

Unsurprisingly, the rate of homelessness for young Victorians has been rising. Between the last two censuses, the number of young Victorians per 10,000 experiencing homelessness rose from 65.6 to 75.7.[11] This 15 per cent increase saw Victoria have the second highest rate of youth homelessness in Australia. In fact, across the country, the rate decreased by 3 per cent.

In 2024, 36,123 or 35 per cent of all clients receiving homelessness support in Victoria included people under 25.[12] And 11,301 people aged between 15 and 24 presented to services alone.[13] Aboriginal Victorians are overrepresented in people accessing homelessness services, and in the child protection and youth justice systems. For young people exiting these systems, stable housing can be the difference between a lifetime of cycling in and out of homelessness or the foundation on which to build their future.

Without a safe place to call home, young people cannot engage in school or build the friendships and community connections that support them to flourish.

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[11] https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release
[12] https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/data
[13] https://www.aihw.gov.au/getmedia/669d9060-8ba6-4605-a92e-79b1ba8c6ae8/AIHW-HOU-339-Specialist-homelessness-services-historical-tables-2011-12-to-2023-24.xlsx

The next Victorian Government must commit to giving every Victorian child and young person the chance they deserve to live the life they hope for, with a safe place to call home.

The plan to fix things

Victoria has the systems and capacity to turn things around for its young people. Through the Big Housing Build, Victoria's social housing portfolio has increased by around 6,200 homes since 2020. And the recent investment in the Social Housing Growth Fund (SHGF) to build 7,000 more homes over a decade creates a plan for long-term, annual delivery not seen in decades.

But with 19,047 families with children already waiting for social housing, an annual pipeline of 700 homes must be the foundations that we continue to build on.

Boosting the SHGF with a further $6 billion at the start of the next parliament will set it up to deliver a steady pipeline of around 20,000 community homes over the next decade. Enough to give every single Victorian child currently waiting for social housing a safe and warm home.

The interest earned by the fund over that time means the upfront investment builds more homes than 10 annual budget commitments of $600 million. The certainty it gives CHOs, industry, and partners like Local Government also means homes can be planned and delivered more efficiently and at lower cost to government. In all, the upfront investment would see 7,500 more homes built than through annual budget allocations.

Following our opening comments, dedicated and adequate funding must be committed to giving Aboriginal children in Victoria a safe home. Whilst publicly available VHR data doesn't show how many Aboriginal children are waiting for social housing, we know that 11 per cent of the overall waitlist are Indigenous.

A minimum 10 per cent guarantee from an expanded SHGF should be delivered by Aboriginal Community Controlled Organisations as a minimum. Given the overrepresentation of Aboriginal Victorians on the VHR, and that the population is growing faster than twice the rate of the non-Aboriginal population,[14] the actual investment needed will likely be higher. VHR and other demographic data should be analysed to understand the actual need, and work undertaken with the ACCO sector through the Victorian Aboriginal Housing and Homelessness Forum to deliver on this.

The next Victorian Government can't let child homelessness and housing insecurity get any worse – the generational slide has to be arrested and reversed. If it isn't, we are condemning current and future young Victorians to lives of disadvantage that stop them from living the life they choose, and where they can participate fully.

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[14] https://www.vaccho.org.au/aboriginal-and-torres-strait-islander-population-growth-model/#:~:text=The%20population%20model%20resulted%20in,level%20or%20by%20age%20groups.

Recommendation 1: inject $6b into the SHGF to build 20,000 homes over 10 years, ensuring that at least 10 per cent of these homes are delivered by Aboriginal Community Controlled Organisations.

In addition to boosting the SHGF with this investment, there are several system settings which would help it deliver homes more effectively and cost-efficiently.

Transparency

The SHGF provides a structural and ongoing pipeline of funding to build community housing. Transparency of this pipeline is critical to industry confidence. CHOs, Local Governments, builders and financiers invest significant time and resources in bringing new developments to life. To justify this investment, it is critical that they have a line of sight to the current investment in the fund and the expected, and actual, developments delivered.

The Federal Government's similar fund, the Housing Australia Future Fund (HAFF), publishes financial performance data quarterly, including total fund credits, total earnings, total debits and final balance. Publishing this level of data in relation to the SHGF will boost confidence to invest in delivering a pipeline of new homes.

Funding structures

The SHGF has funded projects using both capital grants and availability payments. Each of these funding types has benefits and can unlock different types of projects. Availability payments alone rely on CHOs being able to secure debt. Many lenders require security above the project value alone and this can constrain CHOs' ability to deliver projects under this model. It also underscores the importance of low-cost finance to reduce project costs overall, particularly in an environment of increasing interest rates.

Smaller projects, those in regional areas or those that target tenant groups facing heightened disadvantages and with particular support needs, are not well suited to debt financed projects and need a funding stream that recognises the greater risk in these projects. As such, the SHGF should continue to use a mix of both capital grants and availability payments, even in the same projects, to guarantee delivery of a range of housing types that meet different government objectives.

Procurement

It is important to design procurement in a way that enhances the strengths of the community housing sector while delivering more homes for Victorians who need them.

The current procurement approach sees each and every project go through a competitive process, whether that's to deliver four homes or 100 homes. This deters smaller infill projects whilst preferencing larger developments, and can miss opportunities for lower cost, "gentle density" and smaller developments more suited to households with complex needs. More importantly it diverts limited not-for-profit resources from the core services of building and maintaining homes.

This process is expensive to deliver and administer as organisations invest in feasibility, engineering, and quantity surveying just to submit a project that may never get funded.

Procurement is ad hoc, with the timing and parameters of funding rounds changing regularly. This adds costs as organisations must secure external services to deliver bids, rather than allocate resources internally to these projects. It also impedes the ability of CHOs to partner with councils and developers to secure land, because there is no certainty about when funding will be available.

Procurement processes can be designed better to reduce waste and speed up the delivery of homes and retain the diversity of services offered by the community housing sector.

An agreed annual funding envelope, delivered through a gated, always-open allocation process, would ensure that only projects that meet policy priorities and value for money would proceed to a detailed application stage. This would save CHOs time in developing projects, and the government time in assessing them. And it would ensure that resources are only invested in projects that are likely to proceed.

An additional commissioning approach could be used to deliver community housing at scale. Government would identify a region and delivery target and CHOs, or consortia of CHOs, would bid in a plan of how they would deliver those homes, and at what price over a given period.

This would reduce duplication of effort by providers across a given region and more closely match development funding to the development process, reducing the resources wasted on projects that never get built. Creating a predictable pipeline of investment would also allow CHOs to partner with developers earlier, align delivery across different government programs and incentives, engage with local government to develop joint partnerships and leverage their land, and invest strategically in development opportunities. All of this would deliver homes at a lower cost, and more effectively. Under this kind of commissioning there would need to be clear annual milestones to secure progress payments, and transparent reporting of project costs and delivery to ensure that Government is securing a housing pipeline in the most cost-effective manner.

Commissioning in this way could also create partnerships with major builders and infrastructure delivery agencies, providing stability in the building industry and unlocking expertise at scale.

Recommendation 2: enhance the transparency, funding, and procurement settings of the SHGF to improve its cost-effectiveness and ensure it builds homes for those most in need

Smarter land use for more social homes

The state of things

Where 58 per cent of Victorians born between 1947-51 had bought a home by the age of 29, only 37 per cent of those born between 1992-96 have done the same.[15] House prices growing faster than incomes for decades has left young Victorians with fewer housing choices. With their chances of homeownership fading, they're stuck in a private rental market already under strain.

Rental vacancies, particularly in Melbourne, are at near-record lows. After hitting a rock bottom of 0.8 per cent in 2024, Melbourne has recovered somewhat but in March 2026 still sat at only 1.5 per cent.[16] This is well below the 3 per cent vacancy rate needed to keep a balance between renters and landlords. Aside from an increase related to the Covid-19 pandemic between 2020-22, the vacancy rate has been trending downwards since 2012.

This is keeping rents rising faster than wages are growing. Between 2020 and 2024 median rents in Melbourne rose by 37.5 per cent, 3.4 times faster than average incomes. In regional Victoria it was little better: rents rose 36.4 per cent, 3.2 faster than incomes.[17]

With fewer Victorians attaining homeownership, they are starting to worry about how this pressurised rental market will impact their security in retirement. A national survey conducted in March found that six in 10 renters aged 55-69 are paying more than 30 per cent of their income on rent,[18] the broadly accepted definition of living in housing stress. Over a quarter expect to live in major financial stress in retirement, and a fifth don't believe they ever will retire.

The people who make communities function and thrive, who must physically turn up to work to deliver essential services, are getting priced out of the places where they work. In 2021, 37 per cent of Melbourne's key workers worked in the three inner subregions.[19] Yet in the Inner and Inner East only around a third of these workers lived in the same area, and in the Inner South it was less than half.[20] This isn't just a one-off observation: between 2016

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[15] AIHW (2024), 'Homeownership & housing tenure', https://www.aihw.gov.au/reports/australias-welfare/home-ownership-and-housing-tenure.
[16] Cotality (April 2026), 'Quarterly Rental Review' for Q1 2026.
[17] https://www.abc.net.au/news/2025-04-16/charts-show-how-fast-rent-has-outpaced-income-across-australia/105179340.
[18] https://homeinplace.org/the-retirement-reckoning/.
[19] https://urbanism.sydney.edu.au/wp-content/uploads/2023/03/Gilbert-Nasreen-and-Gurran-w-HOPE-Housing-FINAL-March-2023.pdf, 47.
[20] https://urbanism.sydney.edu.au/wp-content/uploads/2023/03/Gilbert-Nasreen-and-Gurran-w-HOPE-Housing-FINAL-March-2023.pdf, 48.

and 2021 the Inner and Inner East each lost around 10 per cent of its key worker residents.[21]

This isn't just an inconvenience for the workers who spend more time and money on their daily commute. Increasingly, communities are struggling to attract the people they need to deliver the essential services that made their areas such appealing places to live in the first place.

The overreliance on a private rental system that can't deliver housing that's affordable for low- and moderate-income households at the scale and locations needed, is both reshaping labour markets and leaving renters worried about life after retirement.

The plan to fix things

From its emergence in the 1980s, through the recent government investments highlighted earlier, the community housing sector has become a critical part of Victoria's social and overall housing system. From 2020 to 2025, public housing increased from 64,359 to 64,532 homes, whereas long-term community housing rose from 16,827 to 22,824. This means that community housing made up 97 per cent of Victoria's social housing growth. This is partly because the public housing system is investing in renewing existing homes, while community housing often sources new sites for development.

To get greater net growth in social housing, we can make better use of assets that community housing already owns or manages, by combining them with similar sites next door. By combining land and redeveloping the existing homes, organisations can renew ageing stock near their end of life and build on larger blocks to deliver more social homes. This would increase affordable housing in established suburbs where it's needed, and where people want to live.

Opportunities for these land purchases can and do come up in any given year. But as not-for-profit charities without a funding pool that allows for quick decisions, CHOs don't have a shot at grabbing these. In 2025 CHIA Vic partnered with Ys Housing and Swinburne University to investigate what might be possible if they did.

The study found that with a modest investment of $80 million a year over 10 years, the sector could purchase up to 1,000 neighbouring sites as they became available, ahead of project delivery. This could unlock between 8,730 and 17,160 new social homes across Melbourne and regional centres like Geelong, Ballarat and Bendigo.

This would create cost savings of $250,000 per home compared with purchasing the sites at the time of delivery. And through lower land costs, efficient land use, and more cost-effective project delivery the overall savings to government would be $2 billion. It would

[21] https://urbanism.sydney.edu.au/wp-content/uploads/2023/03/Gilbert-Nasreen-and-Gurran-w-HOPE-Housing-FINAL-March-2023.pdf, 45.

also be contributing to the gentle density in established suburbs that Victoria needs to manage its booming population.

Recommendation 3: Set up a fund providing $80m a year for CHOs to spot-purchase sites that can be turned into up to 17,000 new social homes.

A Proactive Social Housing Outreach Team to end homelessness

The state of things

The housing crisis is making homelessness a reality for more people than ever before. In 2006, 35 out of every 10,000 Victorians were experiencing homelessness. By 2021 this had increased to 47 – the largest increase across all states and territories, leaving Victoria with the second-highest rate of homelessness in the country.

With the barriers Victorians face in homeownership and private rental systems, and the historic undersupply of social housing, we can expect these alarming trends to continue without urgent action.

The decades-long underinvestment in social housing means that people experiencing homelessness are waiting longer for a safe place to live, exacerbating the trauma that contributed to their homelessness and further damaging lives.

In a state as prosperous as Victoria, we cannot let this slide continue. It's time we ended homelessness.

The plan to fix things

Social housing is the first and most important line of defence for people who are at risk of homelessness. But it's not always enough on its own. Many people experiencing homelessness are waiting years for a safe and affordable home and, in that time, the experience of homelessness causes further trauma, increasing the time and support people need to recover. Some renters can use social housing alone as a platform to build a better life, and others need tenancy and other supports to keep them securely and comfortably in their home.

Social housing tenancy managers are at the frontline of building community and the social safety net that can help prevent people falling into homelessness. However, this can be complex and intensive work, and is not always manageable in their day-to-day roles.

To make sure that the right support gets to the right people at the right time, the next government should set up a dedicated social housing assertive outreach team.

This agile team would have the ability and resources to step in early when a renter's financial situation or behaviour flagged concerns about their tenancy. A proactive approach would allow the team to intervene early and provide the support needed to ensure renters can stay safely and comfortably in their homes.

Recommendation 4: create a dedicated social housing outreach team to keep renters in their homes and stop the slide into homelessness

This proactive outreach is what CHOs need to get the right level of support to their renters at the right time. But for people with chronic histories of rough sleeping or unstable housing, ongoing and more intensive support is needed. Local and international evidence shows that combining 'Housing First'-style support with secure, long-term housing can end homelessness for 90 per cent of participants.[22]

The principles behind the Housing First model include immediate access to ongoing housing paired with flexible support made available for as long as it is needed. These supports are responsive, scaling up or down as people need, and can be reengaged after a spell without the need for repetitive new assessments. Crucially, housing is provided from the get-go as a person's right, and they don't need to meet treatment or behavioural pre-conditions to get it.[23]

The Housing First model is an evidence-based and proven successful approach to supporting people with long-term and acute experiences of homelessness, and continued expansion of these programs can end homelessness in Victoria.

[22] Evaluations of various Housing First programs around the world consistently show high level of housing retention from clients, typically between 66 and 90 per cent – far higher than 'treatment as usual' programs. An evaluation of the Way2Home program in Australia found a 90 per cent housing retention rate. See Roggenbuck, C. (2022), 'Housing First: An evidence review of implementation, effectiveness and outcomes', AHURI, https://www.ahuri.edu.au/sites/default/files/documents/2022-08/AHURI-Prof-Services-Housing-First-An-evidence-review-of-implementation-effectiveness-and-outcomes.pdf.
[23] Homelessness Australia (2020), 'Housing First Principles for Australia', https://homelessnessaustralia.org.au/wp-content/uploads/2022/07/Housing-First-Principles.pdf.

Making Community Housing safer, more comfortable, and cheaper to run

The state of things

Whilst new social housing is built to a minimum 7-star NatHERS rating, older stock in general has much lower energy efficiency standards. Sustainability Victoria estimates that the average House Energy Rating of pre-2005 Victorian homes is 1.8 Stars.[24] In 2016, audits found the average age of Victoria's public housing stock was 35 years, with 60 per cent of it being over 30 years old.[25] Through a desktop analysis of a sample of community housing, we found that at least 2,500 community homes were built before 2000, and more than 1,900 were built in the 2000s.

Retrofitting all homes that have poor energy efficiency is key to Victoria meeting its target of net-zero emissions by 2045. According to Sustainability Victoria, over 50 per cent of all Victorian homes require significant improvements to improve their energy efficiency, with 23 per cent of Victoria's greenhouse gas emissions coming from homes.[26]

Greater energy efficiency will also give renters greater thermal comfort, which has been found to improve health and well-being. Raising average home temperatures from 16°C to 20°C has been shown to improve cardiovascular health in a similar way to lifestyle and dietary interventions.[27] A study of the Victorian Healthy Homes Program showed that thermal shell and energy efficiency upgrades saved the healthcare system $887 per person over winter.[28]

And crucially, energy efficient homes lead to cheaper energy bills. Analysis by Deloitte Access Economics in 2024 found that modest energy upgrades and rooftop solar installation would save the average Victorian household $3,689 annually on energy bills.[29]

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[24] Sustainability Victoria, 'Comprehensive Energy Efficiency Retrofits to Existing Victorian Houses', p. 10, accessed at https://assets.sustainability.vic.gov.au/susvic/Report-Energy-Comprehensive-Energy-Efficiency-Retrofits-to-Existing-Victorian-Houses-PDF.pdf

[25] VAGO, 'Managing Victoria's Public Housing', p. ix, accessed at https://www.audit.vic.gov.au/sites/default/files/20170621-Public-Housing.pdf

[26] https://www.sustainability.vic.gov.au/research-data-and-insights/research/state-of-sustainability-report/state-of-sustainability-report-2024/housing-thermal-quality-and-energy-efficiency-2

[27] Climateworks Centre (2023), 'Climate-ready homes', https://www.climateworkscentre.org/wp-content/uploads/2023/12/Climate-ready-homes-Building-the-case-for-a-renovation-wave-in-Australia-Summary-report-Climateworks-Centre-December-2023-1.pdf, 28.

[28] Ibid, 29.

[29] Deloitte Access Economics, 'Powering progress: Energy upgrades to low-income housing', p. 24, accessed at https://www.acoss.org.au/wp-content/uploads/2024/07/ACOSS-Deloitte-low-income-energy-upgrades-Final-July-2024.pdf.

For community housing renters, these are life-changing savings. A single parent living on a JobSeeker payment typically earns around $31,000 per year. The average energy bill savings would be the equivalent of 16 per cent of their income after paying rent. A couple living on the Age Pension, who earn around $41,000 per year, would save around 13 per cent.

The plan to fix things

The Commonwealth and Victorian governments have made great inroads in retrofitting existing social housing. Through their joint-funded programs, around 19,000 social homes are receiving energy efficiency upgrades from 2024 to 2029.[30] This includes the full electrification of 5,000 homes, and builds on the Victorian Government's initial investment of $112 million in 2020 to deliver 35,000 individual upgrades for the social housing portfolio.[31]

This essential work must continue to make sure that every renter has equitable access to the benefits of energy efficiency, and to help Victoria meet its climate action goals.

To fully retrofit the community housing portfolio, additional government resourcing and support will be needed to make sure that older homes can be upgraded to reduce energy bills and provide more comfortable homes.

We call on the next Government to commit to fully retrofitting the community housing portfolio.

This will mean that all community housing renters share in the benefits of Victoria's transition to a net-zero and climate-prepared future, and that none are left behind.

Recommendation 5: commit to fully retrofitting the community housing sector's dwellings so that all renters get lower energy bills, more comfortable homes, and Victoria reaches its climate action targets

[30] https://www.energy.vic.gov.au/grants/energy-efficiency-in-social-housing-program/program-questions
[31] https://www.homes.vic.gov.au/energy-efficiency-social-housing-program