

Federal Budget 2025: Future Generations Analysis

What is the Budget Measure? Building more homes for Australians- 1.2 million homes over the next 5 years.

The Budget paper 1, Statement 4: Meeting Australia's Housing Challenge outlines an investment in housing which is comprised of \$423.1 million in new and additional funding for social housing and homelessness services, equating to around 55,000 homes through various accords and housing payment programs (Housing Australia Future Fund, the Social Housing Accelerator Payment and other Housing Australia programs)

Namely, the budget has invested in the following strategies:

- *Kickstart construction of more homes by building infrastructure, training tradies, and cutting planning hurdles.*
- *Deliver the biggest investment in social and affordable housing in over a decade.*
- *Provide more support for renters – including the biggest increase to rent assistance in more than 30 years.*
- *Help Australians buy their own home.*
- *Double its dedicated homelessness funding and provide shelter for people in crisis – including women and children fleeing domestic violence, veterans, and youth.*

The Government has outlined issues with undersupply of dwellings, underinvestment in social and affordable housing, barriers to home ownership and fairness for renters, but the provision of the new houses committed within the next 5 years will only be realised through state and privately funded developments, increases in a skilled workforce and a relaxation of planning and zoning mechanisms at the LGA level.

How does this Budget Measure relate to the five major forces in [The Intergenerational Report 2023](#)

- **Population Ageing**- Boost to social housing may support ageing populations and boosts to connectivity may assist with ageing in place, but future generations are likely to face similar housing stress when we consider the compounding impacts of climate changes which are likely to diminish appropriate and safe housing stock through social and environmental factors.
- **Expanded use of digital and data technology**- No specific mention.
- **Climate change and a net zero transformation**- Statement 4: Meeting Australia's Housing Challenge makes **no** mention of climate change, sustainability (in the context of climate change, Sustainable Development Goals or environment), adaptation or transition in the context of energy efficiency or mitigation.
- **Rising demand for care and support services**- this budget measure is aimed at providing significant support for at risk individuals and families, including those in crisis fleeing from

domestic and family violence. The provisions are for up to 50,000 new social and community houses within 5 years.

- **Increased geopolitical risk and fragmentation**- no specific mention.

How does this Budget Measure relate to the Measuring What Matters Framework

The Measuring What Matters Framework ([Framework](#)) has five wellbeing themes:

Healthy: A society in which people feel well and are in good physical and mental health, can access services when they need, and have the information they require to take action to improve their health.

Secure: A society where people live peacefully, feel safe, have financial security and access to housing.

- Access to housing is an essential part of feeling secure. Extra funding for new houses may help to avoid future housing crises and reduce prices for younger people to get access to housing sooner, but this is based on the assumption that the goal of 1.2 million new houses is realised, and that they are built to be sustainable and resilient.

Sustainable: A society that sustainably uses natural and financial resources, protects and repairs the environment and builds resilience to combat challenges.

- This mechanism does not provide any information regarding sustainability measures, it has proposed additional state and local government powers to 'fast track' development approvals to decrease planning wait times.

Cohesive: A society that supports connections with family, friends and the community, values diversity, and promotes belonging and culture.

- Fair and equitable access to housing supports cohesion by giving people a choice of where to live and allowing communities to establish relationships over the long term. A key point within this measure is allowing for housing to be developed near regional and urban services to support families, education and work opportunities. More housing might help to improve this by increasing supply but this will need to be well-designed if it is within urban centres (increased density dwellings) or in new regional areas.

Prosperous: A society that has a dynamic, strong economy, invests in people's skills and education, and provides broad opportunities for employment and well-paid, secure jobs

- The Government is responding to the skills shortage challenge by investing \$88.8 million to grow the pipeline of construction workers through 20,000 additional fee-free TAFE and pre-apprenticeship places.
- This mechanism also provides streamlined skills assessments for around 1,900 migrants from comparable countries to work in Australia's housing construction industry.

- Currently, housing is a significant part of Australian prosperity. However, it is unclear if this reliance on housing as an investment contributes to a strong, dynamic economy.

Inclusion, equity and fairness are cross-cutting dimensions of the Framework.

- Current access to housing is highly inequitable, the budget sets out a pathway to increase access and affordability of houses, but the equitable distribution of homes to young people, renters and vulnerable groups is yet to be seen.
- Mechanisms within this measure focus on upskilling tradespeople, majority of whom are young men, reducing the benefit for women and girls.

Applying the Welsh Government Budget Questions

Does this Budget measure:

- **Move the country away from its vision for the future?**

House building may help improve security in the short term for vulnerable groups and young people, but without regulations or incentives there is little evidence that there will be long-term, intergenerational benefits.

- **Disadvantage any generations, alive now or in the future?**

What do we lose in the urgency of addressing the housing crisis? The policy aims to fast track housing development in suitable areas, both in urban and suburban areas, but there is no provision for the building of 1.2 million new homes by 2030 to be climate resilient, meaning they may not be adapted to the future climate (extreme heat and flooding as particular risks) and could fail to support decarbonisation (no requirement for energy efficiency or solar panels).

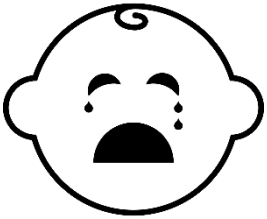
- **Disadvantage people at any specific life stage?**

Poor housing, either by design or location, will impact upon all demographic groups in various ways.

- **Strengthen the transmission of inequality through generations?**

The provision of houses which are not fit for future purpose will increase intergenerational impacts stemming from disadvantage, poor access and insecurity. If poorly built homes are allowed to be developed now, we will build a legacy of maladaptive housing which will define the availability, quantity and quality of the homes for future generations.

Analysis - Happy baby or sad baby?



Ultimately, this budget will likely create a whole new and different housing crisis for future generations, including for a baby born on budget night. Criticism of the funding mechanisms include a reliance on State governments and the private market to invest in the additional houses by rushing through approvals; a policy that is targeted in practice at building a small subset of social housing; and funding upskill for tradies, which is a male dominated industry, and does not address concerns of future equitable access to housing.

The budget paper makes no mention of climate change, sustainability, energy transition or adaptation for future housing, which means that there are no assurances that future generations will be provided with adequate, sustainable, or resilient homes.

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Natasha Hennessey is a Senior Research Assistant and Program Coordinator for Griffith University's Climate Action Beacon. She has a background in Environmental Science and Environmental Management, majoring in Climate Change Adaptation. Her work to date has focused on policy guidance on the barriers to implementation and supporting the development of programs for motivating climate action, climate change adaptation, sustainability and conservation across a broad range of disciplines. She has a particular interest in systems and systems thinking and

is passionate about developing the information required to support communities, organisations and governments in being leaders for climate action, understanding risk, and creatively exploring solutions to support an ecologically and socially resilient society.

ABOUT EVERYGEN

EveryGen, convened by the Policy Innovation Hub at Griffith University, is a coalition of multidisciplinary policy experts collaborating to create an equitable, just and transformative path towards intergenerational justice. EveryGen promotes policy research, collaboration and action on intergenerational equity and justice and seeks to influence the policy agenda and inspire evidence-based thinking on intergenerational equity and justice. EveryGen promotes a law reform agenda by advocating for a Future Generations Act in Australia and by amplifying the voices of current and future generations to both highlight and transform the long-term impacts of today's policy decisions.

www.everygen.online

EveryGen is a member of the [Intergenerational Fairness Coalition](#).



Our collective mission is to see an intergenerational lens embedded in Australian policymaking supported by meaningful intergenerational engagement, data-driven measurement and accountability mechanisms.

We believe in the potential of pragmatic and economically-minded approaches to safeguarding Australia's future to address long-standing and emerging challenges.