Driving Housing Finance Innovation

Reforming Australia's housing sector for equity, access and innovation

Summary Version

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FIGHTING INEQUALITY IN AUSTRALIA

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Introduction

Australia's housing system has become increasingly homogenised around the standard mortgage model. The overwhelming majority of households that achieve secure tenure do so through 25–30 year mortgage contracts, underwritten by stable, full-time employment and intergenerational transfers of wealth. Policy reinforces this pathway as the primary, and often the only, legitimate route to housing security.

This narrow foundation creates three systemic problems. First, it excludes a growing share of households whose economic circumstances do not align with the "ideal borrower" profile: single parents, older women, renters with strong payment histories, gig-economy workers, Indigenous and culturally diverse households, and recent migrants without conventional credit footprints. Second, it channels institutional capital into speculative, high-yield property markets, concentrating finance in projects designed for wealth extraction rather than affordability retention or community benefit. Third, it crowds out tenure diversity, treating co-operatives, community land trusts, shared equity, and other atypical models as marginal, transitional, or administratively anomalous.

The result is a monocultural housing finance regime that equates security with private mortgage ownership and regards all other tenure forms as secondary.

International experience demonstrates that this is not inevitable. In countries such as Canada, Austria, Singapore, and parts of the United States, governments have deliberately diversified housing finance ecosystems, creating statutory recognition, public finance intermediaries, and capital markets designed to support co-operative and community-led housing. Australia has yet to make this shift, leaving its housing market unusually narrow in both tenure and finance models. It is against this backdrop that the following analysis sets out the systemic barriers that inhibit the growth of atypical housing and finance models in Australia, grouped into four domains: Legal and Regulatory, Finance and Capital Markets, Institutional and Governance, and Market Dynamics and Normative Biases.

"This narrow foundation creates three systemic problems."

Structural Challenges and Issues

Australia's housing system faces deep structural obstacles to the adoption of atypical housing and finance models. These barriers are not marginal or incidental; they are systemic, embedded in the design of property law, credit markets, institutional arrangements, and cultural narratives. They explain why promising mechanisms such as community land trusts (CLTs), co-operatives, shared equity instruments, and ethical finance platforms remain peripheral despite their proven success overseas.

To understand the reforms needed, we examined the challenges associated with the uptake and utilisation of alternative finance and housing models, models that would aide and advance housing access for vulnerable groups. The barriers can be grouped into four domains: *Legal and Regulatory, Finance and Capital Markets, Institutional and Governance, and Market Dynamics and Normative Biases.*

01. Legal and Regulatory Barriers

Australia's property and planning frameworks remain structurally aligned to freehold ownership and developer-led delivery. Atypical models fall outside these conventions and face a series of legal and regulatory hurdles:

i. **Lack of Tenure Equivalent Recognition**: CLTs, co-operatives, and resale-restricted shared equity models sit uneasily within Australia's Torrens and strata systems. Although legally valid, affordability covenants and resale restrictions are discounted by lenders due to liquidity and collateral concerns, limiting confidence and finance access; undermining models designed to secure affordability in perpetuity.

ii. **Planning System Rigidity:** Local planning schemes are dominated by suburban subdivision logics, minimum lot sizes, density caps, prescriptive codes, that exclude or delay innovative formats like co-housing, micro-lots, adaptive reuse, or culturally tailored collective housing. Approvals are inconsistent and discretionary, eroding replicability.

iii. **Restrictive Land Disposal Practices:** Government land is disposed of through highest-price competitive tender, disadvantaging community housing providers and co-operatives. Even when land is transferred, the absence of permanent affordability covenants risks reabsorption into the private market.

iv. **Misaligned Taxation:** Shared equity often triggers multiple stamp duty events; co-operative and trust structures can incur GST; and land tax exemptions are inconsistently applied. These rules inflate costs and signal that tenure diversity is anomalous rather than legitimate.

v. **Absence of Integrated Legal Framework:** Unlike Austria or parts of the US, Australia has no legislation to coordinate property, planning, and finance law for alternative models. The result is fragmentation and legal precarity for pilot projects.

02.

Finance and Capital Market Barriers

Atypical housing requires finance systems that can accommodate collective ownership, long-term affordability, and mission-driven capital. Australia's mainstream system, however, is dominated by risk-weighted regulation, asset-backed lending, and short-term investor mandates:

i. **Rigid Eligibility Rules:** Credit scoring prioritises stable, salaried employment, formal assets, and conventional savings patterns. This excludes renters with strong payment histories, gig economy workers, sole parents, small business owners, and new migrants, despite their demonstrated repayment reliability.

ii. **Underserved Tenures:** Co-operatives, CLTs, and shared ownership schemes are perceived as "high risk" due to resale restrictions or lack of familiarity. International evidence of stability and low foreclosure rates is ignored by lenders.

iii. **Absence of Long-Dated, Mission-Aligned Capital:** NHFIC provides concessional finance, but its remit and scale are limited. There is no equivalent to Canada's CMHC to underwrite and grow atypical models.

iv. **No Secondary Markets:** Unlike conventional mortgages, loans for co-ops or digital mortgage co-operatives cannot be securitised, leaving them illiquid and unattractive to investors.

v. **Punitive Risk-Weighting:** APRA's prudential rules categorise atypical products as high risk due to lack of market comparables, requiring higher capital reserves even when international data shows lower risk.

vi. **Investor Reluctance:** ESG investors still treat housing as a yield asset, not a site for equity transformation. Without standardised metrics for affordability duration, tenure security, or governance, atypical models remain invisible to institutional capital.

vii. **High upfront equity requirements:** The need for upfront capital for land purchase and development finance creates a large barrier for people and groups with limited access to equity.

viii. **Cooperative Governance considerations:** Collective ownership alters liability allocation. Because co-operatives hold a single title, lenders often require joint and several liability or personal guarantees, increasing perceived member exposure. Absent standardised governance and reserve frameworks, co-ops are treated as structurally higher risk despite international evidence of comparable or lower default rates.

03. Institutional and Governance Barriers

Institutional fragmentation compounds the difficulties of legal and financial reform. No single agency in Australia has responsibility for tenure-diverse or community-led housing. Instead, responsibilities are spread thinly across housing, planning, and finance agencies, none of which prioritise innovation:

i. **Lack of Mandate:** Housing Australia and state agencies are geared to volume delivery, not tenure innovation. Atypical projects fall between policy silos.

ii. **Procurement Bias:** Public procurement privileges large-scale commercial developers, with assessment criteria centred on financial robustness, not social value. Community and Indigenous organisations are excluded by design.

iii. **Community Sector Capacity Gaps:** Small organisations lack access to legal, financial, and governance expertise needed to establish co-ops or CLTs. In other countries, technical intermediaries fill this role; in Australia, they are absent.

iv. **Data and Benchmarking Deficits:** There is no national registry or performance framework for CLTs or co-operatives. Their outcomes remain invisible in official statistics, perpetuating a cycle of exclusion from policy and investment.

04. Market Dynamics and Normative Biases

Even where legal, financial, and institutional reforms could help, atypical housing models remain constrained by the deeper cultural and market norms shaping Australian housing:

i. **Speculative Development Logic:** Housing is treated as a speculative asset, with development cycles prioritising rapid profit extraction. Models with resale restrictions or affordability covenants are viewed as commercially unattractive.

ii. **Primacy of Ownership:** Policy rhetoric continues to valorise freehold ownership as the only legitimate tenure, framing co-operatives or shared equity as transitional rather than permanent pathways.

iii. **Gendered and Heteronormative Bias:** Financial products privilege dual-income households and disadvantage women, sole parents, and survivors of domestic violence. Older women are particularly excluded due to low superannuation and disrupted earning histories.

iv. **Cultural Misalignment:** Indigenous and CALD traditions of collective and relational ownership are invisible to current property law and mortgage systems, perpetuating displacement and exclusion.

v. **Blunt Affordability Metrics:** The 30% income benchmark ignores disability costs, childcare burdens, and regional living expenses, misclassifying many households' actual affordability stress.

vi. **Policy Legacy of Speculative Incentives:** Tax settings such as negative gearing and capital gains discounts, while improved, funnel investment into speculative property markets while public housing has been systematically underfunded.

Taken together, these barriers explain why Australia has not scaled atypical housing models despite clear international evidence of success. Legal frameworks exclude them, financial markets undervalue them, institutions ignore them, and cultural norms delegitimise them. The result is a monocultural housing finance regime that systematically excludes vulnerable groups, including single older women, renters, Indigenous communities, migrants, and people with disabilities. The rest of this report outlines a program of reform, spanning 21 recommendations, to address these barriers across law, finance, institutions, and market design.

Recommendations for Atypical Housing Access and Financial Models

The analysis in preceding sections has demonstrated that Australia's housing system is structurally constrained by its reliance on a narrow, mortgage-centric model. Legal frameworks are aligned to freehold ownership, financial markets exclude diverse tenure forms, institutions lack mandates for innovation, and cultural norms continue to valorise speculative homeownership over collective or community-based alternatives. These conditions create systemic exclusion and inhibit the development of housing models that could deliver affordability, security, and sustainability at scale.

In response, this report sets out twenty-one recommendations spanning four interlinked domains: legal and regulatory reform, finance and capital innovation, institutional design and governance, and market and normative transformation. Together, these proposals form an integrated program for embedding tenure pluralism and housing innovation within Australia's policy and financial architecture. They move beyond pilot projects and piecemeal reforms, establishing the legal, financial, and institutional foundations necessary for atypical housing models to thrive.

The recommendations are not intended as isolated measures. They are designed to operate as a coherent framework, statutory recognition enabling lender participation, new finance streams unlocking mission-aligned capital, institutional bodies coordinating governance, and cultural shifts reframing housing as a civic good. When implemented together, these reforms have the potential to transform Australia's housing system from a monocultural market to a diverse ecosystem capable of meeting the needs of varied households and communities.

"Together, these proposals form an integrated program for embedding tenure pluralism and housing innovation within Australia's policy and financial architecture."

Recommendation 1: Establish the Australian Housing Finance Corporation (AHFC) as a Federally Capitalised Public Intermediary for Inclusive Housing Finance.

1

The AHFC (a potential subsidiary of Housing Australia) would serve as the cornerstone of a diversified housing finance system, providing long-dated, low-cost capital for community-led and tenure-diverse housing models benefitting from Australia's sound sovereign credit rating. By de-risking innovation and creating a pipeline for ethical and institutional investment, it would replicate the role played by Canada's CMHC in normalising housing as a public good.

Recommendation 2: Create Dedicated Lending Streams within the AHFC to Support Co-operatives, Community Land Trusts, Digital Mortgage Innovation, and Social and Green Housing Bonds.

2

Specialised funds within AHFC would ensure that capital flows match the unique structures of atypical models. For example, a co-operative finance facility, a community land trust mortgage stream, and a social bond platform would provide clear, accessible pathways for projects that currently struggle to secure mainstream finance.

Recommendation 3: Embed the Australian Housing Finance Corporation in Statute with Governance Safeguards, Equity Mandates, and Independent Oversight.

3

To prevent short-term political disruption, AHFC should be legislated with a strong equity mandate, clear accountability requirements, and independent governance. Annual public reporting and statutory protections would ensure it remains focused on affordability, resilience, and tenure innovation.

4

Recommendation 4: Develop a National Tenure Innovation Framework Providing Statutory Recognition for Community Land Trusts, Housing Co-operatives, Shared Equity, and Indigenous Tenure Models.

By legislating definitions and recognition for diverse tenures, Australia can provide legal certainty for models that today sit in grey zones. This would enable enforceable covenants, registrable titles, and lender recognition of collective or resale-restricted ownership.

5

Recommendation 5: Legislate for Perpetual Affordability and Resale Covenants to Secure Long-Term Housing Affordability and Prevent Market Drift.

Affordable housing often loses the character of affordability when resale restrictions lapse. By embedding affordability covenants in law, resale formulas and stewardship agreements can protect affordability in perpetuity, ensuring that public or community investment delivers enduring benefit.

6

Recommendation 6: Reform Planning and Zoning Systems through National Principles, Inclusionary Zoning, Streamlined Approvals, and Pre-Approved Design Templates.

Planning regimes remain fragmented and biased toward conventional suburban subdivisions. National planning principles and fast-track approvals would allow co-housing, adaptive reuse, micro-lots, and culturally tailored collective dwellings to be treated as legitimate and replicable.

7

Recommendation 7: Legislate a National Framework for Public Land Transfer Prioritising Community, Indigenous, and Equity-Focused Housing Providers.

Government land should be leveraged for public benefit, not simply sold to the highest bidder. A framework for concessional land transfer, backed by a stewardship agency, would ensure community housing providers, co-operatives, and First Nations organisations can access land with affordability covenants in place.

8

Recommendation 8: Introduce Performance-Linked Finance Mechanisms that Tie Loans, Guarantees, and Capital to Affordability, Equity, and Tenant Protections.

Finance should reward models that deliver affordability retention and tenant wellbeing. Linking capital access to verified outcomes would create incentives for developers and lenders to prioritise social and climate performance alongside financial returns.

9

Recommendation 9: Establish Inclusive Credit Scoring Protocols Incorporating Rental Histories, Utility Payments, and Informal Savings to Expand Access.

Conventional credit scoring excludes many low-income but reliable households. By mandating recognition of rent and utility histories, and supporting a National Tenancy Ledger, Australia could broaden access to mortgages for renters, migrants, and workers outside traditional employment.

10

Recommendation 10: Create a National Housing Impact Measurement Framework (NHIMF) to Track Affordability Duration, Governance, Sustainability, and Equity Outcomes.

Without consistent metrics, alternative housing models remain invisible to policymakers and investors. A nationally mandated framework would standardise reporting on affordability, governance participation, sustainability, and equity outcomes, enabling comparison and accountability.

11

Recommendation 11: Implement Equity-Based Procurement and Allocation Rules to Ensure Community and Indigenous Providers are Supported in Housing Delivery.

Current procurement systems privilege large, commercial actors. Introducing equity-based weighting in procurement and allocations would open space for Indigenous housing bodies, women-led organisations, and smaller community providers to compete and deliver.

12

Recommendation 12: Create a Dedicated National Body for Tenure Innovation to Coordinate Housing, Planning, Finance, and Social Care.

Fragmented governance hinders tenure-diverse models. A national body, whether independent or within Housing Australia, would coordinate policy across multiple domains and ensure innovative models are supported consistently rather than ad hoc.

13

Recommendation 13: Build a National Housing Cloud with a Public Open Data Portal for Housing Performance, Equity Tracking, and Community Analytics.

Open data infrastructure is critical for accountability and innovation. A centralised, publicly accessible platform would provide housing performance data, affordability maps, and impact tracking, supporting both government and community-led analysis.

14

Recommendation 14: Legislate a Cross-Tier Housing Governance Act Defining Roles Across Commonwealth, State, and Local Governments and Embedding Regional Plans.

Housing policy is fractured across tiers of government. A governance act would define responsibilities, align regional housing plans, and provide mechanisms for cross-jurisdictional project activation, reducing duplication and delay.

15

Recommendation 15: Establish a Vertical Development Finance Fund for Air Space Housing to Unlock Infill Supply Above Existing Structures.

Urban centres hold untapped potential in the air space above public buildings, car parks, retail centres, and low-rise developments. A dedicated fund would finance affordable housing built vertically, maximising land use efficiency and delivering infill supply without further sprawl.

Recommendation 16: Mitigate Systemic Risk in Atypical Housing Finance through Dynamic Stress Testing, Community Governance Requirements, and Modular Liquidity Reserves.

As atypical models scale, they must be safeguarded against systemic shocks. Stress tests, liquidity reserves, and mandatory community governance would create resilience, protecting both investors and communities from volatility.

Recommendation 17: Modernise Housing aligned Taxation and Introduce Incentives for Inclusive and Sustainable Development.

Current tax settings fuel speculation and distort housing markets. Further phasing down CGT discounts, while introducing incentives for sustainable retrofits and inclusive housing, would redirect investment toward long-term affordability and equity.

Recommendation 18: Establish a Federally Backed Secondary Dwelling Finance Program to Expand Housing Supply through Granny Flats, Studios, and Accessory Dwelling Units.

Secondary dwellings represent a high-impact but underutilised opportunity to expand housing within existing suburbs. A program of concessional finance, planning streamlining, tax offsets, and green incentives would unlock this supply while supporting ageing in place and multigenerational living.

19

Recommendation 19: Introduce a Housing-Linked Securitisation Platform to Pool Inclusive Housing Loans and Attract Institutional Investment with ESG Filters.

Affordable housing finance lacks depth and liquidity. A securitisation platform under AHFC would pool inclusive housing loans, issue asset-backed securities, and attract superannuation and ESG investors while embedding climate and equity metrics into capital flows.

20

Recommendation 20: Establish an Alternative Housing Authority (AHA) to Incubate Community Land Trusts, Housing Co-operatives, and Tenant-Led Ownership Models.

Australia needs a dedicated statutory authority to mainstream community-led housing. An AHA would provide seed capital, legal templates, technical assistance, and oversight, embedding stewardship and tenure diversity into the national housing system.

21

Recommendation 21: Dedicate a Targeted Allocation of the Housing Australia Future Fund (HAFF) to Community-Led, Co-operative, and Shared Equity Housing Models.

The HAFF should be leveraged for structural change, not only unit delivery. Ring-fencing 10% of allocations for tenure-diverse and community-led models, supported by early-stage project grants and transparent reporting, would ensure these models move from pilots to scale.

Framing the Challenges and Solutions Matrix

The barriers facing atypical housing and finance models are complex and interdependent. They stem not from the shortcomings of individual projects, but from the way Australia's housing system has been designed and reinforced through law, finance, governance, and cultural practice. Addressing these challenges requires more than isolated policy fixes: it demands a coordinated strategy that links specific problems to targeted solutions.

The following matrix presents a structured mapping of the four domains of systemic challenge, Legal and Regulatory, Finance and Capital Markets, Institutional and Governance, and Market Dynamics and Normative Biases against the recommendations advanced in this report. By showing which reforms are designed to resolve which barriers, the table highlights the coherence of the recommendations as an integrated reform program. This approach makes clear that tenure pluralism and housing innovation will only succeed if reform is pursued holistically, aligning legislative frameworks, capital flows, institutional support, and cultural narratives

"Addressing these challenges requires more than isolated policy fixes: it demands a coordinated strategy that links specific problems to targeted solutions."

Domain	Key Challenges	Linked Recommendations
Legal & Regulatory	Lack of statutory recognition for CLTs, co-operatives, and shared equity; unenforceable affordability covenants.	Rec 4 (National Tenure Innovation Framework); Rec 5 (Perpetual Affordability Covenants); Rec 20 (Alternative Housing Authority)
	Planning frameworks rigid, suburban-centric, and inconsistent across jurisdictions.	Rec 6 (Planning Reform); Rec 18 (Secondary Dwelling Finance with fast-track approvals)
	Public land disposed of on financial return basis, disadvantaging community models.	Rec 7 (Public Land Transfer Framework); Rec 21 (Dedicated HAFF allocation linked to land transfers)
	Taxation misaligned (stamp duty double-counting, GST, land tax inconsistencies).	Rec 4 (Legal recognition with aligned tax instruments); Rec 17 (Tax reform for inclusive and sustainable development)
	No integrated legal framework to support housing innovation.	Rec 4 (National Tenure Innovation Framework); Rec 14 (Cross-Tier Governance Act)
Finance & Capital Markets	Credit scoring excludes renters, gig workers, sole parents, migrants, and others outside "ideal borrower" profile.	Rec 9 (Inclusive Credit Scoring Protocols); Rec 6 (Planning reforms aligning affordability data)
	Underserved tenure forms deemed "high risk" by lenders, despite international evidence.	Rec 7 (Public-backed underwriting); Rec 10 (Risk-weighting reform under APRA); Rec 11 (Investor incentives recognising affordability/governance)
	Lack of long-dated, low-cost, mission-aligned capital.	Rec 1 (Establish AHFC); Rec 2 (Specialised AHFC lending streams); Rec 3 (Statutory governance of AHFC)
	No secondary market/securitisation for non-standard loans.	Rec 8 (Performance-linked finance); Rec 19 (Housing-Linked Securitisation Platform)
	Prudential regulation penalises atypical housing with higher risk weights.	Rec 10 (Differentiated APRA risk-weighting)
	Investor reluctance due to absent metrics for affordability duration or governance.	Rec 11 (Equity-based investment metrics); Rec 10 (NHIMF impact framework)

Institutional & Governance	No single agency mandated to support tenure-diverse models; fragmented oversight.	Rec 12 (Dedicated National Body); Rec 20 (Alternative Housing Authority)
	Public procurement biases toward large-scale commercial providers.	Rec 14 (Cross-Tier Governance Act with procurement reform); Rec 11 (Equity-based procurement)
	Community organisations lack capacity and access to technical expertise.	Rec 15 (Secondary Dwelling Finance Program with support functions); Rec 16 (Safeguards with governance participation); Rec 20 (AHA with technical assistance)
	Lack of national data, registries, or performance benchmarks for atypical models.	Rec 10 (NHIMF); Rec 13 (National Housing Cloud & open data portal)
Market Dynamics & Normative Biases	Housing treated as speculative asset, sidelining affordability-linked models.	Rec 17 (Tax reform to shift incentives); Rec 22 (Outcomes-linked investment)
	Ownership valorised; co-operatives and CLTs framed as "second best".	Rec 18 (Secondary Dwelling Program framing affordability as legitimate); Rec 21 (HAFF allocation to community-led models)
	Gendered and heteronormative financial products exclude women, sole parents, and survivors of DV.	Rec 19 (Securitisation platform integrating equity metrics); Rec 20 (AHA prioritising women-led housing)
	Cultural misalignment excludes Indigenous and CALD collective ownership traditions.	Rec 4 (National Tenure Framework); Rec 20 (AHA with First Nations partnerships)
	Affordability metrics (30% income rule) ignore disability, childcare, and regional burdens.	Rec 10 (NHIMF with intersectional indicators); Rec 11 (Equity-based procurement reflecting lived costs)
	Policy legacy of speculative incentives.	Rec 17 (Tax reform); Rec 22 (Redirected capital through impact bonds)

While these recommendations outline *what* needs to be done, their effectiveness will depend on *how* they are put into practice. Sequencing, institutional leadership, and resourcing will be critical. Short-term reforms such as inclusive credit scoring, planning adjustments, and data infrastructure can build immediate momentum. Medium-term measures, including statutory recognition of new tenures, land transfer frameworks, and securitisation platforms, will consolidate structural change. Long-term investments in institutions such as the AHFC and AHA will embed resilience and ensure permanence.

The following section presents an Implementation Strategy that maps these recommendations onto a realistic policy roadmap. It sets out short-, medium-, and long-term actions, identifies lead agencies, and outlines mechanisms for coordination across government, finance, and the community housing sector. This strategy provides the operational bridge between vision and delivery, ensuring that atypical housing and financial models can move from the margins to the mainstream of Australia's housing future.

Implementation Strategy

Translating recommendations into practice requires careful sequencing. Some reforms can be implemented quickly to unlock immediate benefits, while others demand more time to develop statutory frameworks, build institutional capacity, or reshape financial markets. A clear roadmap is therefore essential to avoid piecemeal progress and to ensure reforms reinforce one another.

The table below organises the recommendations into short-term (1–2 years), medium-term (3–5 years), and long-term (5–10 years) horizons. This sequencing aligns urgent reforms with those that build enabling structures, while reserving more complex institutional and cultural changes for the longer term. By mapping specific challenges against targeted solutions within each timeframe, the roadmap provides both direction and accountability.

Timeframe	Challenges Addressed	Linked Recommendations
Short-Term (1–2 years)	Credit scoring excludes renters, gig workers, migrants. Planning approvals inconsistent, slow, discretionary. Lack of performance data and benchmarks. Procurement excludes smaller/ community providers.	Rec 6 (National planning reform with fast-track approvals); Rec 9 (Inclusive credit scoring protocol recognising rent, utilities, social payments); Rec 10 (National Housing Impact Measurement Framework – NHIMF); Rec 11 (Equity-based procurement rules); Rec 13 (National Housing Cloud & open data portal)
Medium-Term (3–5 years)	No statutory recognition of CLTs/co-operatives/shared equity. Public land transferred only via competitive tender. Community organisations lack capacity and technical support. Prudential regulation penalises atypical models. Absence of secondary markets for non-standard housing loans. Investor reluctance due to lack of metrics.	Rec 4 (National Tenure Innovation Framework); Rec 5 (Perpetual affordability and resale covenants); Rec 7 (Public land transfer framework); Rec 14 (Cross-Tier Governance Act clarifying roles & procurement); Rec 15 (Federally backed Secondary Dwelling Finance Program); Rec 16 (Regulatory safeguards & community governance); Rec 17 (Tax reforms to redirect incentives); Rec 19 (Housing-linked securitisation platform); Rec 21 (Dedicated HAFF allocation for community-led housing)
Long-Term (5–10 years)	Lack of long-dated, mission-aligned capital. No national intermediary to finance and de-risk innovation. Institutional fragmentation across housing, planning, and finance. Cultural misalignment with Indigenous and CALD ownership. Structural reliance on speculative development and monocultural mortgage pathways.	Rec 1 (Establish AHFC – federally capitalised intermediary); Rec 2 (Dedicated AHFC lending streams); Rec 3 (Statutory governance for AHFC); Rec 8 (Performance-linked finance mechanisms); Rec 12 (Dedicated national body for tenure innovation); Rec 18 (Secondary dwelling finance program at scale); Rec 20 (Alternative Housing Authority – AHA); Rec 22 (Outcomes-linked investment and social impact bonds)

Towards Integrated Reform

Each recommendation is not a stand-alone intervention, but part of a broader system of reform. Legal recognition of diverse tenure models is only meaningful if paired with inclusive finance mechanisms. Access to capital is insufficient without governance structures that empower community providers. Cultural change will not take root unless reinforced by taxation and planning frameworks that reward affordability and sustainability.

Taken together, the recommendations form a comprehensive reform pathway; statutory reform to legitimise atypical models, financial instruments to mobilise capital, institutions to provide stability and expertise, and cultural shifts to broaden public acceptance of tenure diversity. The matrix underscores that only by tackling these domains in tandem can Australia move from a monocultural, mortgage-dominated housing system toward one that is equitable, sustainable, and pluralistic.

"Only by tackling these domains in tandem can Australia move from a monocultural, mortgage-dominated housing system toward one that is equitable, sustainable, and pluralistic."

About the Author

Dr. Michael D'Rosario is a leading researcher, economist, and evaluation expert whose work bridges the intersections of social policy, data science, and economic research. With over 15 years of experience across universities, think tanks, and not-for-profits, Dr. D'Rosario has led numerous high-impact research and evaluation projects in Australia and internationally. Currently serving as Director, Econometrics and Analysis at Per Capita, Dr. D'Rosario directs interdisciplinary teams in delivering evidence-based evaluations and economic modelling on complex social issues, including housing affordability, disability services, cyber security, and inequality. He an architect of the Australian Inequality Index, a nationally recognized tool that enhances public understanding of structural inequities across regions and cohorts.

Dr. D'Rosario holds a PhD in Econometrics and Policy, a Graduate Certificate in Higher Education, and a Master's degree in International Justice from the University of Melbourne. His academic appointments include lecturing roles at the University of Adelaide and Deakin University, where he has developed and taught postgraduate coursework in research methods, managerial economics, and leadership. In addition to his work with Per Capita, Dr. D'Rosario advises the University of Oxford, Community Broadcasting Foundation and CQUniversity on AI and the future of work, Network economics and student equity and access respectively. An award-winning educator and recipient of the Prime Minister's Australia-India Fellowship, Alfred Deakin Medal, AntiPoverty Prize, and Educator of the Year, Dr. D'Rosario has published more than 25 peer-reviewed papers and policy reports. He is deeply committed to social justice and inclusive research practices, having advised organisations such as Teach for Australia, VALS, NATSILS, and Deaf Australia on program evaluation, data transformation, and strategy. Dr. D'Rosario's expertise spans econometric forecasting, impact evaluation, and the use of AI and machine learning in social research. He is a frequent media contributor and speaker at national forums, known for translating complex data into actionable insights for policymakers, community leaders, and the broader public.

About Per Capita

Per Capita is an independent progressive think tank based in Melbourne. Founded in 2007, it conducts rigorous research and policy analysis on issues including inequality, taxation, housing, ageing, climate change, and democratic participation. Its work prioritises equity, sustainability, and long-term prosperity, and it partners with not-for-profits, philanthropic organisations, and community groups to design evidence-based policies that improve outcomes for all Australians.

References:

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