

Social Housing as Infrastructure

A Position Paper

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Abstract

Social housing in Australia is administered as a welfare instrument: a last-resort response to market failure. This paper argues that framing is wrong, and that the consequences of that framing are structural, cumulative, and measurable. Social housing is infrastructure. It performs the same function for human communities as roads, water systems, and power grids do for physical ones: it enables participation, stability, and continuity. When it is withheld, degraded, or sold, the costs are borne not by the system but by the people who depend on it. This paper proposes reclassification of social housing under NSW law as critical infrastructure, and outlines three structural corrections that flow from that reclassification.

1. The Problem With 'Welfare Housing'

The language we use to describe social housing is not neutral. 'Welfare housing', 'public housing', 'community housing': each term carries assumptions about who its tenants are, what they deserve, and how much the system owes them. In Australia, those assumptions have calcified into policy: means-testing, asset limits, priority bands, transfer waitlists, and a chronic undersupply treated as a budget problem rather than a governance failure.

The result is a system that positions itself as generous when it provides housing, and blameless when it does not. The more than 71,000 households on the NSW Housing Register (31 August 2026) are not evidence of high demand for a scarce benefit. They are evidence of a system deliberately constrained below its functional requirement.

"When a system's failure is structural, incremental improvements within the system are not solutions. They are maintenance of the problem."

Infrastructure thinking offers a different frame. Roads are not provided as a charitable gesture to people who cannot afford private transport. They are built because a society that cannot move its people cannot function. The same logic applies to housing.

2. What Infrastructure Means

Infrastructure refers to systems that enable other systems to operate. Stable housing makes possible: consistent school attendance, sustained employment, continuity of healthcare, maintenance of social relationships, participation in civic life, mental health management, and the long-term accumulation of social capital that supports community resilience. When housing is insecure, each of these systems is disrupted. The disruption is not individual; it is systemic.

The infrastructure framing also clarifies the question of who bears the cost of underinvestment. The cost of a home not provided is not a budget saving. It is a cost externalised onto hospitals, schools, courts, emergency services, and communities: and onto the people who needed the home.

3. The NSW Context

More than 71,000 households are waiting on the NSW Housing Register, including almost 14,000 approved as priority applicants, and the priority list has grown by more than 80 per cent since mid-2023 (NSW Department of Communities and Justice). Over the past decade NSW has sold public housing in high-value areas, most visibly at Millers Point and The Rocks, using the proceeds for new supply elsewhere. Whatever the merits of each sale, the pattern reduces the social housing footprint in established communities where it is hardest to replace. Homes NSW, created in 2024 to bring housing and homelessness functions together, is undergoing structural reform. Without reclassification of social housing as infrastructure, reform remains vulnerable to the same budget pressures and political cycles that have produced the current deficit.

4. Three Structural Corrections

4.1 A moratorium on net asset reduction

Infrastructure is not sold when budgets are tight. Any disposal of social housing land should be offset by equivalent or greater supply in the same or adjacent

catchment.

4.2 Security of tenure as a default

Social housing tenants in NSW are subject to ongoing eligibility reviews that create chronic insecurity. Security of tenure (with clear, fair, and rare grounds for termination) would recognise that stable housing is the foundation from which recovery, employment, and community participation are built.

4.3 Rapid rehousing as the default homelessness response

The international evidence on Housing First is strongest on the outcome that matters most here: people offered stable housing without preconditions are far more likely to stay housed than people required to demonstrate stability first. Rapid rehousing as the default is an evidence-based correction to a system that has inverted cause and effect.

5. A Resident-Informed Perspective

This paper is written from the perspective of a researcher who is also a long-term social housing resident, based in Merewether, Newcastle. The experience of living in social housing is not the experience of receiving a benefit. It is the experience of navigating a system that is simultaneously indispensable and institutionally indifferent to the people within it. Structural reclassification (with the funding, tenure security, and supply commitments that would follow) would change that.

Conclusion

Social housing is not a welfare programme that has become too expensive to maintain at scale. It is infrastructure that has been chronically underfunded because it has been misclassified. The three structural corrections proposed here (net supply protection, security of tenure, and rapid rehousing as default) are achievable within existing frameworks if the political will exists to treat housing as what it is: the foundation everything else is built on.

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Sources: NSW Department of Communities and Justice, Social housing waiting list data (applicant households on the NSW Housing Register, June 2023 to August 2026).