

OpenVoiceNews Australia

Transparent. Unbiased. Yours.

Sydney's Public Housing Shake-Up Sparks Debate

August 7, 2025

— Categories: Real Estate



In a move to reshape inner Sydney's housing landscape, three levels of government have joined forces to fund the construction of 74 new apartments in Waterloo under the \$66 million Boronia Apartments project. The initiative, in partnership with affordable housing provider City West Housing, promises reduced-rent units for low to moderate-income earners in one of Australia's priciest real estate markets.

Located near the city centre, the new development is part of a broader housing "renewal" strategy by the New South Wales government. Over the coming years, the plan is expected

to replace ageing public housing with 3,000 new residences, more than half designated as social or affordable housing. However, the strategy involves the demolition of long-standing public housing blocks, a decision that has triggered concern among some residents.

The existing buildings, many over 70 years old, are reported to be in deteriorating condition, lacking both modern accessibility and sustainability standards. State authorities argue that the maintenance costs have become unsustainable, justifying the transition toward updated infrastructure.

Federal Minister for Social Services and Sydney MP Tanya Plibersek, along with Sydney Lord Mayor Clover Moore, are set to attend the ceremonial launch of the Boronia Apartments. According to project guidelines, future tenants will have their rent capped at 30% of their household income, a threshold commonly used to measure housing stress.

Despite government assurances, parts of the community have expressed resistance to the relocation of public housing tenants. The NSW government has begun transitioning affected residents, providing six months' notice and relocation support through Homes NSW. Some question whether the replacement units will truly address affordability or simply pave the way for further urban gentrification.

Key structures like the Matavai and Turanga towers, two 30-storey public housing blocks built in the 1970s, are scheduled for demolition in later stages of the renewal. These towers have been home to generations of families, and their removal signals a significant transformation of the area's social fabric.

The project is part of a larger \$6.6 billion pledge in the 2024/25 state budget, which includes 8,400 new public housing units and upgrades to 30,000 more across NSW. Additionally, the plan encompasses 21,000 affordable and market homes, aiming to ensure key workers can live closer to their places of employment.

While the NSW government promotes the plan as a practical response to outdated infrastructure and rising housing demand, its long-term impact on existing communities and cost-effectiveness remains to be seen.