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The Australian Housing and Urban Research Institute: a case for radical reform

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Executive Summary

The Australian Housing and Urban Research Institute (AHURI) is the main body funded by Australian governments to research housing and land use. We audited all 462 of its Final Reports, as well as 49 of the reports it sold to governments and peak bodies through its consulting arm.

The Institute is not doing the job it is paid to do, and reform is unlikely to succeed.

Our recommendations

1. **The Commonwealth should establish a new, centralised housing and urban research organisation** with an annual budget of at least $4 million, matching current federally funded research commitments.
2. **The Commonwealth should wind down AHURI**.

Our findings

AHURI's research is unreliable.

- **Roughly half of AHURI's Final Reports (~57%) contain at least one error serious enough to bear on a headline result or a policy recommendation.** In reports from the past ten years the rate is higher: 61%.
- **Up to almost three in ten Final Reports (~29%) use a design that cannot answer at least one of their own core research questions.** Of the 80 reports that use econometric, financial or simulation modelling, around half (~54%) have a design that cannot answer at least one of their own core research questions.
- **AHURI tells governments more than its evidence shows.** Around half of AHURI's reports make at least one recommendation their own evidence does not support.
- **Three in four recommendations never mention what they would cost.**

AHURI's private consulting work is worse.

- **An estimated two in three reports AHURI sells to governments and peak bodies contain an error serious enough to bear on a headline result or recommendation.**

AHURI dismisses the evidence that more housing lowers prices.

- An AHURI consulting report for Infrastructure South Australia calls it a **"(false) assumption"** that more housing reduces prices and rents, and says **"there is no evidence that so-called filtering processes occur"** (p. 5). The House of Representatives committee report it cited had heard AHURI's objections, and the committee majority called them **"misplaced"** (p. 42).

AHURI's low-quality work reaches governments, parliaments, and the public.

- **Every one of AHURI's published submissions to government that cites its own Final Reports (26 of 29) draws on a report with a consequential error.**
- **AHURI keeps telling governments that new housing is overwhelmingly built in expensive areas, a claim resting on a method the Grattan Institute showed in 2018 to be misleading.**
- **AHURI's most-covered report of 2024–25 told Australians that the median landlord holds a rental investment for two years.** It drew 783 media mentions. NSW Treasury, using better property transaction data, puts the median holding period for NSW investors at 8.8 years.
- **More than two thirds of news articles based on a specific AHURI report are about a report in which our audit found a meaningful error.**

AHURI as an organisation is closed and inefficient.

- **More than one in four of the sources AHURI's reports cite (28%) are the work of AHURI and its own research network.**
- **AHURI has never issued a correction or acknowledged a critique of its work.**
- **The share of AHURI's spending that reaches researchers has fallen by about ten percentage points in a decade**, while the Institute's own spending rose by a fifth and its output stayed flat.

Report contents

Executive Summary **2**

1— **Introduction: AHURI is beyond repair** **4**

2— **AHURI's research reports contain significant flaws, especially in regards to housing supply and regulation** **6**

2.1— The Australian Land Use Planning Policy survey is poorly designed, rendering the core of AHURI's land-use policy research effectively useless 7

2.2— AHURI misreads its own model of housing supply and prices 9

2.3—AHURI's rent assistance capture finding comes from a model that cannot tell capture from other causes 11

2.4— AHURI concludes that planning controls hold back housing, but fails to test the extent 12

2.5— AHURI's estimate of rental investment periods is implausibly low 14

2.6— AHURI misreports what its own construction models found 14

2.7— The Institute's self-isolation means they regularly ignore better-quality evidence 15

2.8— The Institute routinely submits substandard evidence as evidence to government and parliament 16

2.9— AHURI's research failings wreak damage far beyond the reports themselves 17

3— **AHURI's professional services team produces low-quality outputs that give governments and peak bodies poor advice** **20**

3.1— Housing economics analysis and Impacts Framework (2022) for Infrastructure South Australia are not robust as either analysis or framework 20

3.2— Together Home Program Evaluation (2025) for the NSW Department of Communities and Justice represents a $33 million loss as a positive "net present value" 22

3.3— The low quality of AHURI's own internal outputs indicates institutional failure 23

4— **AHURI's institutional design is flawed** **24**

4.1— AHURI is in a poorly managed silo, isolated from external research 24

4.2— AHURI's 'peer review' process is likely not what they claim, and fails to enforce its own standards 25

4.3— AHURI is inefficiently organised 25

4.4— AHURI is becoming less efficient over time 26

4.5— AHURI's remit is too important to be left to an underperforming institution 27

5— **Conclusion: How do you solve a problem like AHURI** **28**

1— Introduction: AHURI is beyond repair

The Australian Housing and Urban Research Institute (AHURI) is the main body funded by Australian governments to undertake research on housing and land use policy. The Institute has an annual budget of ~$7 million, inclusive of the ~$4 million research program they are charged with facilitating.[1] The Institute's explicit goal is to provide high-quality evidence to governments and the public writ-large.[2]

AHURI is prominent within the national housing debate. In 2024-25, the Institute received 5,062 media mentions. Its representatives sit on more than 18 ministerial, government, and public sector advisory bodies. They regularly give evidence to parliamentary and government inquiries.[3] AHURI's private consulting business purports to help governments and non-profits deliver programs and establish their respective strategic directions.

As it stands, AHURI is doing a poor job at achieving its stated goals.

Our report lays out the following:

- **AHURI's commissioned research is low-quality and often misleading**, regularly making claims its own evidence cannot support (Section 2)
- **AHURI's 'professional services' outputs contain serious errors** and are often misleading—to a worse extent than their research—and undertaken specifically on behalf of governments and peak bodies (Section 3)
- **AHURI's organisational structure is suboptimal and inefficient**, and has set the organisation up to fail (Section 4)

We believe that it is not possible for AHURI to be reformed. We reached this conclusion late in the process of writing this report, after extensive research and analysis, upon digging into one of the Institute's lesser-known functions—its 'professional services' arm, which functions as a private consultancy.

Separate from the university labs it funds, AHURI is contracted by governments and their agencies, as well as peak bodies and independent non-profits, to provide research, analysis, and evaluation of housing and urban policies. **Our analysis quickly uncovered that AHURI's private consultancy outputs are of an even lower quality than its research outputs.**

Because these 'professional services' outputs are authored and produced directly by AHURI staff—including the current Acting Managing Director—they are the most direct publicly available insight into the Institute, and the work by which it should most strongly be judged. As this submission demonstrates, the quality of this work is remarkably low.

Because restructuring costs are so high in Australia—that is, because it is extremely difficult to fire underperformers, especially within government and quasi-government organisations—even the best possible new Managing Director will struggle to reform the Institute. This will be the case no matter the level of authorisation that person is given by the current AHURI board, many of whom likely recognise the urgent need for reform that we have identified.

[1] AHURI Financial Report 2024-2025
[2] From AHURI – Mission and values: "Our primary purpose is the delivery of high-quality, peer reviewed primary research across housing, homelessness, cities and urban policy arenas; disseminating findings to government, industry and the community; and creating engagement opportunities with the AHURI evidence-base".
[3] AHURI Policy Impact Statement 2024-2025.

The Commonwealth, the States, and Australians writ large all have an interest in the production of high-quality housing, urban, and land use research. But AHURI is not fulfilling its mandate to do so.

While AHURI constitutes a very small line item in the context of the National Housing and Homelessness Agreement—about $4 million per year—the damage the Institute does goes well beyond a million-dollar line-item in a billion-dollar budget.

As it operates today, AHURI consistently produces low-quality research that:

- **Routinely carries substantial errors of fact and analysis** (e.g. Final Reports 287, 440)
- **Makes claims that its own evidence explicitly does not support** (e.g. Final Reports 281, 461)
- **Sums together to undermine the nation's understanding of its own housing systems and markets**, detracting from the broader policy goals of Australian governments, as well as our broader national prosperity (e.g. commissioned reports for government, discussed in section 3)

A cheap organisation producing damaging work cannot be allowed to go unanswered. **As it stands, AHURI effectively constitutes a government-funded misinformation factory.** If governments believe that it is too hard to replace AHURI, then they must at least produce its antidote.

Our recommendations are as follows:

1. **The Commonwealth should establish a new, centralised housing and urban research organisation** with an annual budget of at least $4 million to match current federally funded research commitments.
2. **The Commonwealth should wind down AHURI**.

The first of these recommendations should be undertaken regardless of whether AHURI is wound down. While this new organisation ought to be funded with an equivalent budget to AHURI, it should be noted that AHURI could be quickly out-competed for a fraction of its annual budget—say, $2 million—under independent leadership with a mandate for quality and rigour.

The budget for this new organisation should be almost entirely dedicated to the hiring of a centralised research team, working under a single roof with a focus on the housing, land use, and infrastructure provision policy questions of the day. The remainder of the budget should be spent purchasing and processing data for rigorous policy analysis.

If for the past twenty years AHURI had allocated its ample funds to enterprising researchers willing to investigate the most difficult questions within its purview and held them to a high standard, then our nation would be materially better off. But this is not where we find ourselves today.

The good news is this: if the best time to undertake good research was twenty years ago, then the second-best time is today.

Housing, land use, and infrastructure are too important to be left to an institution incapable of producing quality research with any consistency. A priority of the Commonwealth government's mission to solve our nation's housing crisis must include the establishment and funding of a new housing and urban research organisation—and the winding down of AHURI, to enable something better to take its place.

2— AHURI's research reports contain significant flaws, especially in regards to housing supply and regulation

This section of the submission outlines case studies of previous AHURI work with serious flaws. The bulk of AHURI's work is exploratory, or based on qualitative interview panels, which—outside of a handful of specific sociological research topics—generate a low standard of evidence, cannot be replicated, and are insufficient for generating falsifiable insights or making meaningful policy recommendations.

Some of AHURI's qualitative work is useful for narrow purposes, such as for understanding how specific demographics experience policies of specific demographics or in specific environments. For instance, *Improving housing and service responses to domestic and family violence for Indigenous individuals and families* (Final Report 320, 2019), uncovers insights through interviews that data would have missed. Interviews with Indigenous women and service providers uncovered that a woman whose children are removed may be moved to a smaller home—which means that she no longer has access to the bedrooms required for her to get her children back (pp. 43–44). This is precisely what interviews are good for: finding out how policies interact with real people's lives.

So interviews, applied well, are important, and there is nothing wrong with qualitative research in the abstract. But AHURI's research consistently uses qualitative methodologies, such as interview panels, to answer *quantitative* questions. For instance:

- *Population growth, regional connectivity, and city planning* (Final Report 362, 2021) asks which regional growth strategies "are associated with particular social and economic outcomes" (p. 9). It attempts to answer this via 15 interviews and 14 "exemplar" case studies (p. 10). This research design is unable to answer the research question: it cannot tell us which regional growth strategies are associated with given outcomes.
- *Counting the costs: planning requirements, infrastructure contributions, and residential development in Australia* (Final Report 140, 2009) is framed by an attempt to measure relative costs of planning requirements. It concedes it cannot give "any statistical evidence for the observed and claimed implications of planning regulations for residential development costs, rates of housing supply, and house prices" (p. 21). Despite this, it concludes that the absence of cost records "challenges claims that such costs are added directly to the price of a completed home" (p. 13).

Qualitative work may generate useful information for providers and on-the-ground workers, but it cannot answer the research questions that frame the papers above. Across AHURI's full corpus, an estimated 29% of Final Reports used a research design incapable of answering its own posed research questions.

For the case studies in this section, we pull mostly from AHURI reports that attempt to use quantitative methodologies notionally capable of generating causal claims. This leaves us with a subset of just 78 reports (17%) among the corpus of 462 from which to pull case studies. These reports, as we will demonstrate, are also full of errors. Even when AHURI chooses the right tools for the job, they still manage to mess things up.

In this section, we highlight key failures within the Institute's work on the topics of land use regulation and housing supply. Then, we highlight the damage that this work has been able to do.

2.1— The Australian Land Use Planning Policy survey is poorly designed, rendering the core of AHURI's land-use policy research effectively useless

AHURI is the main organisation funded by the Commonwealth that is capable of undertaking research into land use regulation, and yet its only attempts to do so have been flawed.

The basic technical flaws in the *Housing supply responsiveness in Australia: distribution, drivers and institutional settings* (Final Report 281, 2017), have been well-detailed by the Grattan Institute:

> **Recent Australian research claiming that most new housing built in Australia is targeted at the top end of the market is flawed because it groups price deciles by the number of Local Government Areas (LGAs), rather than by the number of dwellings.** Half of all Australians live in the 10 per cent of LGAs with the largest populations—all of which are in or close to our major cities. Just 5 per cent of Australians live in the smallest half of all LGAs. **Failing to account for the different size of LGAs skews the researchers' findings.** [...]
>
> Our findings add to the growing evidence that new housing supply will improve housing affordability, including for low-income earners.[4]

In 2016, Australian LGAs range from Maralinga Tjarutja (population 62) to Brisbane City (population 1,184,215). Half of all Australians live in the top decile of LGAs by size. Five per cent live in the full bottom half of that same list. If you do the research properly, and weight the deciles by *dwellings*, rather than *local government area*, the finding reverses: Grattan's re-run of the same data found two-thirds of new houses built in 2016–17 were built in areas cheaper than average.

But even if the economics were robust, the paper would still be flawed from first principles. This is because much of the research design relies on an unsound methodological instrument: the Australian Land Use Planning Policy survey (the AULUPP).

The AULUPP was developed by AHURI researchers in the late-2000s to investigate and compare the sustainability policies of local governments. It is a survey of land use regulations, which asks each contacted local government to help count the number and types of the rules they have on the books. The AULUPP is effectively a list of these lists.[5]

The AHURI researchers categorised each of the policies on the jurisdictions' books, and then gave each two final scores, based respectively on the weighted counts of policies deemed to "restrict" housing supply and of policies deemed to "accommodate" housing supply. These weighted counts were then used to determine whether a given jurisdiction was more restrictive or more accommodating of development.

This is a reasonable tool for gathering a high-level understanding of policy formulation across jurisdictions. It could enable the qualitative comparison of how different states and councils attempt to enforce or encourage various development outcomes across the land that they control.

But a list of rules says nothing about how those rules are applied.

For instance, consider a Local Government Area (LGA) with just ten planning controls. One of these is a highly restrictive zone that permits

[4] Most new housing isn't high-end housing, Grattan Institute (2018); Brendan Coates and Trent Wiltshire (2018), The conventional wisdom is wrong: building more housing does help low-income earners, Inside Story.

[5] A number of the surveys were filled by researchers with planning qualifications rather than the local governments themselves.

detached dwellings only—whereas the other nine allow for various forms of higher-density housing and mixed-uses. As measured by the AULUPP, this LGA would be considered far more "accommodating" than "restrictive". But then you look at the map, and you find that the single-dwelling zone covers 95% of residential land, with only the last 5% divvied up between the nine other zones. The AULUPP has no visibility on this actual material application of policy.[6] It is not a useful measurement of planning restrictiveness, and yet it underpins AHURI's most substantial research into the topic.[7]

2.2— AHURI misreads its own model of housing supply and prices

Modelling housing need in Australia to 2025 (Final Report 287, 2017) finds that more housing supply slows house price growth. That is an expected result.

But **the report consistently makes causal claims based on a model that is only capable of finding correlation**. No serious attempt is made to control for the reverse causality of completions and prices, meaning that the report mixes the fact that high price growth results in high quantity growth with the fact that high quantity growth pushes down price growth.[8]

As a result of this poor econometric design, the report says the effect of supply on prices is "very small", and that new supply is "a limited policy lever to reduce general price levels" (pp. 3, 25). Two of the authors repeat this 'finding' in *The Conversation*, stating that "we did not find a particularly strong relationship between housing supply and price growth".[9]

But the report does not support this conclusion, for the reason above and three more:

- it judges the size of the effect from a raw number, without converting it into a realistic policy change,
- it treats a lasting increase in supply as if it lasted one year, and
- its model cannot reliably measure the size of the effect.

[6] The report partially acknowledges this: "one important limitation of the AULUPP survey is that information on planning controls is not able to be connected to the cadastral system as a quantitative measure of land parcels subject to different levels of planning constraint" (p.41).
[7] As an example of an alternative methodology, the Australian Zoning Atlas measures the application of policy spatially to more accurately estimate restrictiveness.

[8] Higher quality research is aware of this confounder and corrects for it. See, for instance: *The Impact of New Housing Supply on the Distribution of Rents* (Mense, 2025) and *Can zoning reform reduce housing costs? Evidence from rents in Auckland* (Greenaway-McGrevy & So, 2026)
[9] "Affordable housing shortfall leaves 1.3m households in need and rising – study", *The Conversation*, 2 August 2017.

The coefficient looks "very small" because the unit measured is very small. Over 2000–15, Australia completed about 22 homes a year for every 1,000 people aged 18 to 39.[10] One more is an increase of under 5 per cent: about 7,000 homes a year nationally. A small change in supply gives a small change in price growth. This says nothing about a large change.

Raise completions by half, from about 22 to about 33 per 1,000 people aged 18 to 39, or roughly 73,000 more homes a year. Price growth falls by about 0.13 percentage points the next year: 5 per cent growth becomes about 4.87 per cent. For a single year, that is small. But one year is the wrong test—because housing is built every year, and the effects of increased supply compound.

Run forward, the AHURI model's effect is still a fraction of what the Reserve Bank's model of the housing market implies. The table compares the two for one scenario: completions half as high again as they would otherwise be, permanently, with nothing else changed. That adds about 73,000 homes a year.

Years after completions rise	Cumulative extra homes	AHURI model: price level compared with no rise	Reserve Bank rule of thumb: cost of housing compared with no rise
1	about 73,000	about 0.1% lower	about 2% lower
10	about 730,000	about 2% lower	about 15–18% lower
20	about 1.5 million	about 3% lower	about 25–35% lower
50	about 3.7 million	about 4–6% lower	beyond the rule's range
Eventually (after many decades)	—	4–8% lower	—

After ten years the AHURI model gives about a ninth of the Reserve Bank's effect, and the gap widens from there. The AHURI effect levels off, because the model has no place for the number of homes: it pulls prices back towards the same ratio to incomes however many are built. On the Reserve Bank's more robust model, the effect grows as long as the homes keep coming.

The AHURI column feeds the report's own coefficients into a year-by-year calculation.[11] The report shows no working for "very small" and never states the effect as a change in prices. The Reserve Bank column applies its rule of thumb to the homes added by each year: "every 1 per cent increase in the number of dwellings (when driven by an increase in supply) lowers the cost of housing by 2½ per cent", which "also applies to larger and more sustained shocks".[12]

[10] Our estimate from ABS *Building Activity, Australia* (cat. 8752.0), dwelling completions, and ABS estimated resident population by single year of age, for 2000–01 to 2014–15. The average across the eight states and territories is 22.5 completions a year per 1,000 people aged 18 to 39; the national figure is 23.3. The report does not publish this figure.

[11] Each year, the change in price growth equals 0.431 × last year's change, minus 0.000122 × 11 (the extra completions per 1,000 people aged 18 to 39), minus 0.008314 × R × the total change in log price up to last year. R is the ratio of prices to incomes on the model's measure (median price divided by twice household income). Wages, interest rates and waiting lists are unchanged. Coefficients are from Table A5 (p. 55). The report does not publish R for 2000–15. Its projected ratios of prices to annual wages for 2017–25 run from about 4.5 to 9 (Figure 9, p. 34), which is about 2.2 to 4.5 on the model's measure; our range covers 2 to 4. A smaller rise in completions scales every figure down in proportion. The effect levels off only because the model has no place for the number of homes: it pulls prices back towards the same ratio to incomes however many homes are built.

[12] Trent Saunders and Peter Tulip, *A Model of the Australian Housing Market*, Reserve Bank of Australia Research Discussion Paper 2019-01, section 5.3, p. 28. The ratio is the inverse of

It should be noted that the AHURI report's finding on direction—more supply, slower price growth—matches basic economics and other evidence, even with the model's main flaws working against finding that effect. The size of the effect is another matter. This model cannot measure it reliably, and the report never tried.

It describes the effect as "very small" without converting its coefficient into a change in prices, and without running the supply scenario it states its model can simulate. Run forward, the report's own coefficients imply prices about 2 per cent lower after ten years and about 3 per cent lower after twenty. The Reserve Bank's estimate for the same extra homes is about 18 per cent after ten years.

Because the researchers never actually undertake inquiry into the impact of supply on affordability, the report's policy advice mainly concerns so-called 'affordable' housing (pp. 4, 41–42).[13] It never returns to general market housing supply as a lever on prices—a pattern evident across AHURI's entire body of work.

2.3—AHURI's rent assistance capture finding comes from a model that cannot tell capture from other causes

Demand-side assistance in Australia's rental housing market: exploring reform options (Final Report 342, 2020) models three reforms to Commonwealth Rent Assistance (CRA). CRA is a fortnightly payment that helps people on pensions, allowances and some family payments pay private rent. It pays 75 cents for each dollar of rent above a set minimum rent—the "threshold"—up to a maximum rate. Renters who pay less than the threshold get nothing (p. 9).

The report also asks whether part of rent assistance ends up with landlords as higher rent. Economists call this "capture" or "pass-through".

The report calls its finding of capture in disadvantaged areas, "from a policy perspective, our most important finding" (p. 36). Its headline figure: "in severely disadvantaged areas, nearly one-third of CRA is shifted into higher rents" (pp. 5, 36).

That figure comes from a statistical model that cannot measure capture. The figure should not be cited as evidence that landlords take rent assistance. Nor should the report's other results be cited as evidence that they do not.

The reason the model cannot see capture is that it compares each household only with itself, and holds constant anything that moves all rents in a given year, meaning that a market-wide rise cancels out. Over the study period, payments do not vary in a way that could reveal such a rise, because the same rates apply everywhere and increase only with inflation (p. 20).

Rent assistance is paid to the tenant, not the landlord (p. 9), and the report offers no evidence that landlords charge recipients more than

the elasticity of housing demand, and applies to the number of dwellings at any point. Our calculation: about 73,000 extra homes a year against a stock of about 10 million dwellings. By year 10 that is about 730,000 homes, 6 to 7 per cent more than otherwise. The lower figure allows for the stock growing by about 1.7 per cent a year anyway, the higher one does not; 2½ times that gives 15 to 18 per cent. By year 20 it is 1.5 million homes, 10 to 15 per cent more, giving 25 to 35 per cent. We do not extend the rule to 50 years, when the extra homes would be about a third of the stock.

[13] For the case against 'affordable' housing policies, see Behrens & Gilbert's "Against Affordable Housing" (2026) in *Inflection Points*.

other tenants for the same home. The study the report claims to replicate doubted this was possible.[14]

Virén was also frank about his own model's weak points: its key assumption is "somewhat delicate", and his data have "no proper control group" (p. 1503). His study had safeguards against these problems. **The AHURI report drops these same safeguards**, opting to produce a less robust version of the paper it claims to be replicating.

AHURI's model is incapable of finding capture across a local rental market—which is where the report says it happens. And AHURI's main finding of high pass-through in the poorest tenth of areas has other potential, untested explanations: for instance, tenants moving to better homes that rent assistance helps them to afford; life and family events; or the fact that AHURI's rent-assistance figure is partly derived from the rent the tenants are paying in the first place. As such, the report offers no reliable estimate of how much rent assistance landlords capture, in any market.

Virén's original study drew its estimate from nine major changes to the Finnish allowance (p. 1500), and it gave similar results when estimated from those changes alone (p. 1511). AHURI's "replication" had no such change to work with, because CRA rates rose only with inflation over its study period (p. 20).

A Grattan Institute review of the international evidence notes that recent studies using better data and quasi-experimental research designs tend to find lower estimates of pass-through than earlier research.[15] The 15 per cent rise in maximum Commonwealth Rent Assistance rates in September 2023 is such a change, and we recommend that research on it be undertaken by enterprising researchers. The results of that study would be of interest to policymakers. But due to the clear limitations outlined here, the results of Final Report 342 mostly are not.

[14] Matti Virén, "Is the housing allowance shifted to rental prices?", *Empirical Economics*, vol. 44 (2013), pp. 1497–1518. Page numbers for Virén refer to that article.
[15] Coates, Bowes and Moloney (2025), *Renting in retirement: Why Rent Assistance needs to rise*, Grattan Institute, p. 26.

2.4— AHURI concludes that planning controls hold back housing, but fails to test the extent

Filtering as a source of low-income housing in Australia: conceptualisation and testing (Final Report 387, 2022) tests a well-accepted concept within housing policy called "filtering". Filtering works like this: when better-off households move into new homes, the older homes they leave should pass down to households on lower incomes and get cheaper as they age. AHURI's report finds that filtering is an unreliable source of low-income housing in Melbourne and Sydney.

Along the way it produces some of AHURI's most substantial evidence on planning and housing supply in Melbourne. From that evidence, the report itself concludes that planning controls hold back new housing.

Having confirmed this constraint, the authors do not make meaningful recommendations to loosen it. Instead, they recommend a broad-based land tax and "government-led land assembly or public land-banking" (p. 6). These interventions, the report concedes, are "not directly derived or substantiated by the analysis in [the] report" (p. 64).

The report names two planning controls: "Chapter 3 suggests that low-density residential zoning and heritage overlays reduce the rate of demolitions and price elasticity of new housing supply" (p. 62). It says planning controls such as heritage overlays "resist changes to neighbourhood character through new housing supply", and that planning is "likely to" help prevent large bursts of new building "in some high demand areas" (p. 43).

The evidence behind this:

- Fewer demolitions. Across 5,362 small areas of Melbourne, those with more land under a heritage overlay, or in low-density residential zoning, had fewer demolitions over 2006–15.
- Less new buildings. A separate, weaker model of new building across 297 larger areas points the same way. Areas with more land under a heritage overlay built less new housing over 2016–19 (Table 4, p. 39). The report reads this as heritage overlays making supply even less responsive to prices (pp. 5, 40).
- Building barely responds to prices. In the report's own example, a 10 per cent rise in prices brings only about 3 per cent more new housing (p. 4). Its opening summary calls the response "almost zero" (p. 2). It gives a reason: "Existing land use, as well as planning and political economy dimensions of new housing supply can limit the potential, capacity and willingness to accept new dwellings locally" (p. 40).

When supply does not respond to prices, something is holding it back. Several things could: planning rules, a shortage of land, or landowners and developers holding land back. The report's own data bear on only one of these: planning controls.

The report presents "policy development options", not firm recommendations, and says the changes filtering would need are "not necessarily desirable or practical" (p. 5).

Its planning options are general. The summary says "planning and zoning designation can become more responsive to price changes" (p. 5). The policy chapter says there are "policy options for more specific use of price signals in strategic planning and zoning designations" (p. 61), that "Zoning designations can restrict local supply-side responsiveness to price changes" (p. 63), and it lists "zoning flexibility" (p. 65) among ways to increase supply . But it never says what should change about heritage overlays or low-density residential zoning, the two controls it named one page earlier (p. 62). It says "The degree to which restrictions caused by zoning need to be loosened, in order to enable filtering to the point of generating a supply of housing affordable to low-income households, is

often not clear", and that loosening involves "important and difficult (and so often political) trade-offs" (p. 63).[16]

It then adds a cause it did not study: landowners and developers who hold land back while prices rise. "While planning and regulation may become more responsive to market signals," it says, "this does not ensure that urban housing systems become more responsive to market signals" (p. 64). They offer two solutions for this:

- First, a broad-based land tax: an annual tax on the value of the underpinning land. This gives an incentive to build on it or sell it.
- Second, "government-led land assembly or public land banking": government buys land, amalgamates small lots into larger sites, and packages it for developers. This is meant to counter private land-banking, where developers hold land that is already approved for building in order to time the market (p. 64).

The report says both options are "not directly derived or substantiated by the analysis in this report" (p. 64). Land-banking still gets the longest passage in the section. Unlike zoning, neither option comes with any stated trade-offs.

The executive summary lists land tax and land-banking among its "Key policy insights" (p. 6), and the policy chapter's own summary ends on land assembly (p. 61). Neither makes clear that the report's analysis does not support or even test these recommendations.

This is not unusual for AHURI. We estimate that around half of the Institute's Final Reports make at least one that their own evidence does not support.[17]

[16] The summary also recommends coordinating new housing supply across regions of Melbourne, saying this "can additionally improve the overall price elasticity of supply" (p. 6)—that is, make building respond more to prices. As its basis it cites Section 3.1.2 (p. 6). That section does not study housing supply. It studies how residents' incomes in each small area changed compared with Melbourne as a whole over 2006–16 (Table 3, p. 33), and finds that neighbouring areas tend to move together. That is a finding about incomes, not building. The report's supply model does show that areas building a lot of housing tend to sit next to each other (p. 40). But that shows where building clusters, as it does in growth areas. It does not show that coordinating supply would make it respond more to prices.

[17] Our audit graded each of the policy recommendations to governments in AHURI's Final Reports against the report's own evidence. 12 per cent are not supported as stated, and a further 67 per cent point the right way but claim more than the evidence shows. Examples: Final Report 460 lists restricting negative gearing on short-stay rentals as a policy option (Table 27, p. 77); the only evidence it quotes comes from one industry interviewee (pp. 67, 71). Final Report 416 says reform must address "the way in which housing is taxed" without testing any tax policy (pp. 7, 87).

2.5— AHURI's estimate of rental investment periods is implausibly low

Final Report 440's (2025) headline claim is that "the median rental-investment period is two years, whereas the mean rental investment is 3.9 years" (p. 1). This is a particularly shocking finding, which likely played a role in AHURI's media team pushing this headline figure heavily to journalists. As a result it received **more than 780 media mentions**—the most we could identify of any single AHURI report.[18] Most concerning is that these findings are implausibly low and likely wrong.

The study relies on using the Household, Income, and Labour Dynamics in Australia (HILDA) survey to study landlord behaviour. But this data is ill-suited to doing so. HILDA only looks at whether participants received rental income at a point in time each year. It cannot track properties and transactions that occur between surveys.

Data quality issues aside, the estimated figures are too low to be real from first principles. The results imply that half of Australia's ~2.3 million landlords are selling at least one property every two years. This means that we expect to see around 500,000 of these sorts of transactions per year. But 2024 PEXA data find that there are only ~720,000 property transactions across both investors and owners.[19]

Critically, the AHURI report ignores the only other Australian evidence on property holding periods which uses better data.[20] A 2022 NSW Treasury paper uses property transaction data to estimate a median holding period for NSW investors of 9 years, with a mean period of 17—**a full 7 years longer than AHURI's estimate.**[21] The NSW Treasury figure also aligns with e61 Institute's findings using rental property administrative data.[22]

It is worth noting that the NSW Treasury paper did provide a comparison of their findings with HILDA data and concluded that "HILDA data cannot be used to infer the distribution of holding periods of purchasers" (p. 21).

[18] AHURI Policy Impact Statement 2024-2025.
[19] Property Insights | Settlement trends diverged across states in 2024, PEXA Group.
[20] This AHURI report is an update on a previous report. We are not counting this and consider this report to be a de facto extension.

[21] Bandeira et al. (2022), Holding periods of residential property buyers in NSW, NSW Treasury.
[22] Dwyer et al (2026), What are we discounting for? Thinking through CGT reform options utilising property data, e61 Institute

2.6— AHURI misreports what its own construction models found

One of AHURI's most recent reports at time of writing, *Overcoming construction constraints for the supply of new detached and high-rise housing* (Final Report 461, 2026), is representative of the Institute's outputs: descriptive work twisted in order to underpin poor analysis.

The report describes the construction sector as a "system-of-systems" and uses this framework to claim that an increase in resourcing at any stage of the construction pipeline would fail to increase the sector's output:

> The modelling undertaken in [technical papers] considered the impact of bottlenecks. It confirmed that, for both detached and high-rise housing, workflow bottlenecks mean that increased construction resourcing is unlikely to result in significantly increased production.

Crucially, the models underpinning the report are not able measure an increase in supply as a production output. This is because the number of homes started is an *input* to the model, rather than an output. So in these models, extra workers and materials can make homes finish sooner, but cannot make more homes get built.[23]

Both papers describe internal checks, such as tests under extreme conditions and review by a simulation modeller and industry experts (detached, pp. 32–33; high-rise, pp. 42–43). The high-rise paper encourages policymakers "to use the validated model to examine various policy scenarios" (p. 55), but does not say how to get it. Neither model is openly auditable, and assumptions are not available for sensitivity testing—nor is any sensitivity testing reported.

One of the report's main recommendations is tangential to the entire report: the authors recommend that Australia "reduce the financialisation of housing", citing policy changes undertaken across "56 European nations" (p. 46). No evidence is provided to explain what these policies were, nor whether they worked. Additionally, there are only 44 European nations.[24]

[23] Detached, pp. 29, 33; high-rise, pp. 39, 43. The only scenarios with more homes built are ones where the modellers raise the number of starts by assumption (detached, p. 42; high-rise, p. 53).

[24] There are 44 nations in Europe, as per the United Nations. Some measures will get you as high as 51, but never to 56. What's happened here is that AHURI has taken the count of members of the United Nations Economic Commission for Europe (UNECE) and assumed they are all European. They are not: this list of 56 nations includes, among others, the United States, Canada, and Israel.

2.7— The Institute's self-isolation means they regularly ignore better-quality evidence

Former RBA economist, Peter Tulip, when asked about AHURI research to a Victorian Parliamentary inquiry stated:

> AHURI I think produced low-quality research on [filtering and housing supply]. In particular the big paper… just does not refer to any of the other research on this topic, so we cannot see why they get these unusual results and how they are different.[25]

The issue which Tulip points out—that AHURI research does not engage with non-AHURI research—is unfortunately common across their body of work. We believe that this is likely a symptom of the Institute's self-siloing.

To illustrate, in our meta-analysis we found more than 1 in 4 (28%) bibliographic entries across AHURI's research corpus comes from the AHURI network. 11% from the Institute's own reports, and 17% from work published by members of the Institute's network.

For context AHURI is **almost three times more likely to cite its own work than the comparable UK Collaborative Centre for Housing Evidence (CaCHE)**. Across 131 sampled reports, CaCHE cites itself 4% of the time, and its own research network 13% of the time.

This suggests AHURI operates in a quasi-silo. This regrettably has the effect of further decreasing the quality of work output by the Institute.

[25] Inquiry into Victoria Planning Provisions Amendments VC257, VC267 and VC274, Peter Tulip Hearing; the parliamentarian in which Peter Tulip is replying to is talking about Final Report 387. As a previous section highlighted, they were misled by the report's authors into believing that filtering does not happen in Australia. This is contradicted by the report's own evidence, which finds that filtering does happen in Australia.

2.8— The Institute routinely submits substandard evidence as evidence to government and parliament

The previous case studies are of AHURI's commissioned researchers doing poor work. The following examples are of the Institute itself submitting that poor work to governments, with its own set of poor interpretations thrown in on top.

AHURI submitted Final Report 281's evidence at least seven times after it was publicly debunked

In March 2022, AHURI made a submission to the Productivity Commission's review of the National Housing and Homelessness Agreement. On page 37, it told the Commission:

> The record numbers of dwellings that have been built over recent years have been overwhelmingly priced in the higher price deciles… AHURI research demonstrated that between 2005–06 and 2013–14 over 80 per cent of approvals for new houses were for properties in the more expensive 6 to 9th price deciles (Ong et al. 2017).[26]

It is hard to understand how AHURI did not know that this was incorrect. It had at this stage been debunked very publicly multiple times by the Grattan Institute in early 2018 and 2019.[27] The flaw here is not small: AHURI ranked Local Government Areas by median price, and then split them into ten groups containing an equal number of LGAs—rather than an equal number of dwellings or people.

[26] AHURI, *Submission to the Productivity Commission Review of the National Housing and Homelessness Agreement (NHHA)*, March 2022, p. 37.
[27] Grattan Institute, "The conventional wisdom is wrong: building more housing does help low-income earners," *Inside Story*, 22 February 2018.
Most new housing isn't high-end housing, Grattan Institute (2018).
The misleading housing statistic that just won't die, Grattan Institute (2019).

In fact since its debunking and in addition to PC, **AHURI itself repeated the false claim at least 7 times** across submissions to bodies including the

- Commonwealth Government and Parliament,
- NSW Government,
- Victorian Parliament,
- ACT Parliament, and
- Tasmanian Government.[28]

AHURI has never once acknowledged this critique, and has continued to reference and operationalise the 'evidence' from an unamended Final Report 281 as late as 2024.[29]

AHURI told the rental crisis inquiry the opposite of what their research found

AHURI's submission to the Commonwealth Senate *Inquiry into the Worsening Rental Crisis* said:

> The previous published evidence shows that a very small minority of tenants received rent variations, and that nearly three times as many were refused one (Baker et al 2020).

This is wrong. AHURI's Final Report 340 states the complete opposite: close to twice as many tenants were granted rent variations (either rent deductions or deferments). The report states:

> The majority (60%) of these requests were met with either a rent reduction or deferment. More than a third (36%) of respondents to this question said that either the landlord would not negotiate, or that they have not yet received a response from their landlord.

[28] Response to NSW Government Consultation Paper: Buying in NSW, Creating a Future (2020); The National Urban Policy Consultation Draft - AHURI Submission (2024); Submission to the Standing Committee on Tax and Revenue Inquiry into housing affordability and supply in Australia (2021); Inquiry into environmental infrastructure for growing populations (2021); Engagement with Development Application Processes in the ACT (2018); Submission on Tasmanian Housing Strategy (2022).

[29] The National Urban Policy Consultation Draft - AHURI Submission (2024); one of the most recent was at a major concurrent speech at AHURI's National Housing Conference which the debunked claim is in the thumbnail of the recording.

2.9— AHURI's research failings wreak damage far beyond the reports themselves

We do not suggest that AHURI seeks to purposefully mislead with their research, nor their submissions to governments or parliaments across the country. Nor do we suggest that the Institute intends to mislead readers regarding what the results of their research actually are.

What we do suggest is that AHURI demonstrably fails to maintain a high quality of work, and fails to accurately translate its own research findings into defensible conclusions, policy directions, and policy submissions. In our professional interactions with Institute staff and researchers, we believe they have been genuine in their misrepresentations of their own published research. AHURI researchers and staff believe what they say—and this is a problem, because much of what they say is wrong.

AHURI is comfortable releasing researcher quotes that their research does not support

In the press release attached to Report 461, the report's lead author is quoted as saying:

> Reform needs to focus on the system level. Blaming individual factors, like the planning system, is the biggest myth we need to quash.[30]

It is worth noting that reforming the planning *system* would be, definitionally, a system-level reform. But AHURI, in this platformed quote as well as its own webinar on the report, declares that planning reform is "opportunism", and implies that it is not real reform.[31]

The report does not support this position, and indeed does not measure anything regarding the impact of planning regulation on construction outputs or productivity. And yet AHURI's internal processes allow the releasing of an at best unrelated quote alongside the research.

AHURI's researchers and internal staff in fact did know the research didn't support the claim. Their own staff said this during the Q&A section of the aforementioned webinar:

> We won't be focusing questions on the planning aspect today… because the research itself didn't focus on that aspect of the overall continuum.

Examples like this raise concerns how seemingly no part of the AHURI value chain has appropriate systems for quality assurance. Peer review has mostly failed to ensure robust research quality, and the Institute's professional staff are unable to ensure a reasonable standard of evidence or quality in outputs and assertions that the Institute consistently chooses to stand behind.

AHURI's research dissemination strategies turbocharge these issues

AHURI actively disseminates their final reports to the media via their dedicated communications staff. They proactively contact journalists and AHURI staff draft and send press releases about new research.[32]

We've conducted a preliminary analysis on how many reports have been reported by ABC News—Australia's most popular news site—and The Conversation—a popular news site for the communication of academic research by its author in plain English.

We found 138 ABC News pages which name AHURI or quote one of its most prolific researchers. The Conversation is significantly higher at 264.

[30] Inquiry into housing reveals the barriers holding back construction productivity, AHURI, 9 June 2026.
[31] Webinar | Overcoming constraints on Australia's housing construction; on the slides they put scare quotes around the word 'reform' when talking about planning reform (e.g. planning "reform").
[32] AHURI Research Handbook 2026.

The work of the AHURI researchers constitutes 35% to 40% of all The Conversation's Australian articles on housing and land use policy.[33]

We estimate that **70% of the report-based articles** are about a report in which our audit found **at least one consequential error**—this is compared to the 58% error rate of the full report corpus.[34] This is troubling. It means that AHURI's media dissemination strategy is more likely to pursue and get media coverage for reports that are worse quality.[35]

AHURI is failing their responsibility to maintain the quality its Commonwealth backing and branding implies

Bad information is cheap to produce and expensive to clean up, particularly when those who create it are shielded from or able to ignore criticism that may help their work to improve.

The problem is that bad information spreads easily, especially when an incorrect finding is suitably counterintuitive such as to become memetic—as in the case of Final Report 440 (Section 2.7), which saw a poorly evidenced and surprising 'result' be widely cited and circulated, despite the extreme unlikelihood that it was true.

Up to this point, we have only measured how AHURI itself presents its own research. But this research is not just utilised by AHURI. Many other organisations and individuals often utilise AHURI's flawed or misleading research, and submit it as evidence, on the incorrect assumption that our nation's government-funded urban research institute is publishing work of an acceptable quality.

We can use a recent Commonwealth Senate inquiry as an example. In the public submissions made to the *Select Committee on Intergenerational Housing Inequity*, we estimate that 61 of the 179 (34%) public submissions cite AHURI at least once. Excluding AHURI's own submission, 499 citations of their work have been submitted to the inquiry. **AHURI was the most commonly cited source within written submissions to the Inquiry.**

Even when we Google research questions answered by AHURI, Google's AI Overview heavily draws from the Institute. Worryingly, it repeats multiple claims which have been debunked in this report.[36]

This underlines the extent to which the public relies on AHURI, and the serious consequences of their failure to produce quality research upon which the public can rely.

As it stands, AHURI is the authoritative source for housing policy among the broader public. Unlike most academic research which is gatekept behind a paywall, AHURI's research outputs are some of the most accessible, as they are free and translated into plain English by their internal media team for broad consumption. AHURI's internal processes do not allow the publishing of reports that are not written for general audiences.[37]

While researchers may have the skills to put AHURI's outputs within the broader evidence context, the general public cannot do so because they do not have the skills or resources to do so.

Australians trust AHURI because they assume—based on the Institute's Commonwealth backing and official branding—that AHURI produces research that can be trusted. As we have demonstrated, AHURI's research often falls very short of this bar.

[33] Of the housing, planning and land use articles, 18% cite AHURI, 35% is written by someone who has coauthored an AHURI report, and 40% do at least one of these.
[34] Across The Conversation as a whole, 111 of the 152 articles also link to a report with a consequential error.
[35] We note there may be doubling up here (i.e. a report gets covered in both ABC and The Conversation). We are making a claim about impact in the media, rather than on a per-report basis.

[36] We recognise that Google's AI Overview is different user to user and this claim may not hold overtime or with different users.
[37] AHURI Research Handbook 2026.

The Commonwealth should not fund work that damages the government's own brand, works against its goals, and muddies the water of policy debate. As it stands, AHURI makes housing and urban policy development in this country harder rather than easier. An institute so thoroughly failing its mandate should be wound down, and replaced with something new.

3— AHURI's professional services team produces low-quality outputs that give governments and peak bodies poor advice

Poor quality outputs are not limited to AHURI's commissioned academic researchers. Our analysis also shows that the reports produced by AHURI's internal 'professional services' team are riddled with the same fundamental issues as the organisation's final reports series.

Of particular concern is the nature of AHURI's clients. These are primarily governments and government-funded organisations: Infrastructure South Australia, the NSW Department of Communities and Justice, the Commonwealth Department of Veterans' Affairs, the National Mental Health Commission, the New Zealand Ministry of Social Development, the South Australian Housing Authority, the Aboriginal Housing Office of NSW, as well as peak non-profit housing bodies such as state and territory subsidiaries of National Shelter.

The corpus of 49 publicly available professional services outputs contain numerous errors, misrepresentations, and incorrect interpretations of both AHURI's own and broader available research. Our metaanalysis indicates that **two thirds of AHURI's professional services outputs (33 of 49) contain a consequential error that undermines headline results**, recommendations, or policy options.

This is extremely concerning. Governments and non-profits alike would be better off not contracting AHURI to do work for them in the future, as the case studies that follow will lay out.

3.1— *Housing economics analysis* and *Impacts Framework* (2022) for Infrastructure South Australia are not robust as either analysis or framework

This is a pair of documents produced—in AHURI's own words—to "develop an effective impact assessment framework based on evidence of the benefits to inform housing policy and investment decisions" (p. 1).[38] As we will demonstrate, these reports should not be used as a basis for these kinds of decisions.

The reports misrepresent cited research, confuse group totals with per-person savings, and fail basic arithmetic repeatedly throughout.

In the background section of the *analysis* paper, in the section on Housing affordability (2.1), AHURI's team establishes their disconnection with the broader research (p. 5):

> Increasing the overall supply of housing continues to be proposed by some as a solution to alleviate housing affordability (HRSCTR, 2022). This is based on the (false) assumption that a larger housing stock will reduce pressure on the housing market, resulting in reduced prices and rents through a filtering process, whereby households buying new housing free up established housing and increase housing choice for lower income households (Hansson 2019). However, new housing supply is mostly not affordable or available to lower income groups (Gurran, Hulse et al. 2021) and does not result in more affordable housing becoming available. New housing in many cases is being developed in mid-to-high price segments and there is no evidence that so-called filtering processes occur. In practice, the impact on existing stock of new housing production is varied,

[38] 2022, "*Housing economics analysis*", AHURI Professional Services.

with new housing stock often replacing older, more affordable housing (Anacker 2019; [Final Report 281]). Increasing new housing supply does not result in more affordable housing becoming available to lower income households (Been, Ellen et al. 2019).

Almost every sentence in this paragraph is flawed:

- "Increasing the overall supply of housing continues to be proposed by some as a solution to alleviate housing affordability **(HRSCTR, 2022)**".
    - The cited House of Representatives Standing Committee on Tax and Revenue (HRSCTR) heard AHURI's argument as part of their Inquiry, and rejected AHURI—describing their objections as "misplaced" (p. 42)—in the context of the broader evidence considered by the Committee.[39]
- "**This is based on the (false) assumption** that a larger housing stock will reduce pressure on the housing market, resulting in reduced prices and rents through a filtering process, whereby households buying new housing free up established housing and increase housing choice for lower income households (Hansson 2019)".
    - This assumption is not false. It is true, and is supported by any meaningful review of the broad international literature and recent Australian evidence.[40]
    - The Hansson source invoked merely describes the assumption; the addition of "false" is AHURI's own (false) judgement.
- "New housing in many cases is being developed in mid-to-high price segments and there is **no evidence that so-called filtering processes occur**".
    - This is incorrect. Again, any meaningful review of the literature will demonstrate the effectiveness of filtering as a mechanism for affordability. The strongest possible claim—though one that we would not make—is that the evidence is contested, not that there is no evidence.
    - It should be noted that this sentence does not carry a citation, and the Been, Ellen et al. paper cited later in the paragraph supports the existence of filtering: "Empirical research shows that filtering is not just a theory posited on the pages of economic textbooks, but it in fact occurs in real housing markets" (p. 6).[41]
- "In practice, the impact on existing stock of new housing production is varied, with **new housing stock often replacing older, more affordable housing** (Anacker 2019; [Final Report 281])".
    - This cites the debunked Final Report 281. It is worth noting that 281 leaves out demolitions from its analysis, and so cannot support this claim. The Anacker claim is made as part of an editorial introduction to a journal special issue, with no study or evidence cited.
    - This 2022 citation of the 2017 report is made almost five years after the paper was originally debunked. This raises serious concerns about our nation's leading Institute contracted by governments and their agencies to do supposedly rigorous work.
- "Increasing **new housing supply does not result in more affordable housing** becoming available to lower income households (Been, Ellen et al. 2019)."

[39] House of Representatives Standing Committee on Tax and Revenue (2022) The Australian dream: Inquiry into housing affordability and supply in Australia, HRSCTR, Parliament of the Commonwealth of Australia, Canberra.

[40] For instance, Rosenthal 2014, Mast 2023, Li 2022, Liu et al. 2022, Bratu et al. 2023; for recent Australian evidence see: Behrens et al (2026).

[41] V. Been, I. Ellen and K. O'Regan (2019), 'Supply Skepticism: Housing Supply and Affordability', *Housing Policy Debate* 29(1): 25–40; NYU Furman Center final draft, p. 6.

- The cited Been, Ellen et al. paper is titled *Supply Skepticism: Housing Supply and Affordability*. The paper's abstract reads: "We ultimately conclude, from both theory and empirical evidence, that adding new homes moderates price increases and therefore makes housing more affordable to low- and moderate-income families". AHURI cites the paper for a sentence that declares the opposite.

The report then contradicts its own position. Its map of housing impacts lists "total housing stock supply matches population growth targets" (p. 27) as an economic benefit. But AHURI claims that supply does not matter, and so then we must ask—how can something that doesn't matter also be beneficial?

3.2— *Together Home Program Evaluation* (2025) for the NSW Department of Communities and Justice represents a $33 million loss as a positive "net present value"

AHURI's final evaluation of the Together Home Program (THP), a housing-first program for rough sleepers, tells the department in its executive summary that the net present value over 4 years is "$1.2–6.9 million". Net present value is benefits minus costs, discounted over time. The report's own Table 13 puts this value at –$32.9 million to –$38.6 million. The $1.2–6.9 million is the benefits alone, before $39.8 million of costs are subtracted. The report does state elsewhere that benefits were 3 to 17 cents per dollar (p. 6), but it labels the benefits as the net present value throughout, including in its headline graphic.

Even the upper end of this extremely low benefit-cost ratio (0.17) appears to be inflated by modelling choices that greatly overstate the program's benefits. In order to reach its upper bound of estimated benefits, the model keeps only coefficients in each six-month period that pass a 10 per cent significance test, and then sets the rest to zero.[42]

As a result of this arbitrary methodological decision, the upper-bound estimate of AHURI's evaluation claims that the Together Home Program created savings on measures where its clients did *worse* than the comparison group.

Outcome	THP change	Comparison change	Upper bound estimate
ED presentations	–23%	–26%	a $109,744 saving

[42] The report prefers the upper bound because it "more robustly accounts for variability in service use across each 6-month window" (p. 61). But selecting windows by significance does not account for variability. Rather, it keeps the extremes and discards the rest.

Outcome	THP change	Comparison change	Upper bound estimate
Ambulance trips	−20%	−28%	a $138,992 net saving
Hospitalisation (drugs and alcohol)	−26%	−44%	a cost (correct direction)

Much of AHURI's analysis here also fails to correct for what is called an Ashenfelter dip: where the data gathered immediately prior to an intervention–for instance, entry into a housing-first program—may not accurately reflect the baseline. In the case of programs like the THP, people likely enter at a crisis point, meaning that they are likely at a low point.[43] As such, any improvement attributed to the program may be confounded by the circumstances of its clients immediately before being admitted.

On all 16 health and homelessness-service outcomes in AHURI's evaluation, comparing clients against the six months before entry gives a more favourable result for THP than a comparison against the full 24 months. The report recognises a pre-entry spike in emergency department visits, and switches to the 24-month comparison. But its worked example for ambulance trips, which also spike before entry, uses the six-month comparison. On the 24-month comparison, the average ambulance effect is not significant ($p = 0.546$).

The 24-month comparison is likely more reliable, and likely should have been used—even though it would show the Together Home Program to be slightly less impactful.

[43] For an explanation of this phenomenon, see e61's *The new coach bounce and the Ashenfelter dip* (2026), a great writeup on this phenomenon illustrated with AFL coach changes.

3.3— The low quality of AHURI's own internal outputs indicates institutional failure

It would be one thing if only AHURI's commissioned research failed to meet quality standards. That the professional services outputs are also low-quality indicates that the Institute requires more comprehensive reform than just a disconnection from the universities would enable.

The case studies selected and presented in-depth here are just a small sample of the corpus, which also includes errors such as the following:

- *Return on investment for social housing in the ACT* (2021) for ACT Shelter bases its headline saving on five people the report itself calls unrepresentative, and calls a sum of three medians "the median". On that basis it reports "substantial cross government savings" (p. 4).
- *Trajectories: the interplay between housing and mental health pathways* (2020) for Mind Australia makes causal claims from a study that lacks a causal design.
- *Evaluation of the Sustaining Young People's Tenancies Initiative* (2018) for the Queensland Department of Housing and Public Works underestimates the cost per client by a third due to incorrectly counting dependents, while overestimating the program's success rate via selection effect, by comparing the results of the initial 60-person assessment with only the minority of tenants (18 of 60) who remained in the program through to the final assessment.

It is clear that AHURI's quality control processes fail consistently—in both their academic and professional outputs. A research organisation without robust quality control is a research organisation without remit to exist, and the Commonwealth should be alarmed to learn that it is backing an institution seemingly incapable of ensuring that it outputs quality work, and which gives no indication that it is even capable of improving.

4— AHURI's institutional design is flawed

AHURI did not just produce the low-quality work laid out in previous sections by fluke. It did so because the Institute is not designed to produce rigorous research or analysis.

There are a few reasons for this:

- The Institute operates in a silo, isolated from broader research community
- The Institute operates a flawed 'peer review' process that fails to enforce its own basic standards
- The Institute operates under an inefficient decentralised network model, diffusing research ownership and responsibility for quality

The Institute's problems are becoming more, rather than less, acute. The organisation is becoming less efficient over time, and the deal for university partners is getting worse.

AHURI is a victim of its design flaws. This section of the report lays those flaws out in detail, along with their consequences.

4.1— AHURI is in a poorly managed silo, isolated from external research

The core problem with AHURI is that it operates within a silo, as demonstrated by how more than 1 in 4 citations (28%) across their corpus of 462 reports is attributable to members of Institute's own research network.[44]

The result of this siloing for both policymakers and the public is that AHURI's research often fails to provide clarity regarding how Australia maps onto the broader housing and urban research ecosystem. It may be that there are unique things about Australian housing and land use, but AHURI's research designs and analyses make this difficult to ascertain. When other institutions—such as Grattan or e61—undertake work on housing, they tend to engage with international findings, raising further questions about why AHURI consistently opts out of the broader research ecosystem.

All of this is exacerbated by AHURI's actual structure, which has driven the organisation to the failed state it is in today.

[44] As outlined earlier, AHURI is almost three times more likely to cite its own work than the comparable UK Collaborative Centre for Housing Evidence (CaCHE). Across 131 sampled reports, CaCHE cites itself 4% of the time, and its own research network 13% of the time.

4.2— AHURI's 'peer review' process is likely not what they claim, and fails to enforce its own standards

The Institute's 'peer review' process is flawed, given the high error-rate within their reports, does not appear to embody the rigour we should expect of a flagship research organisation.

For starters, while AHURI claims their peer review is double-blind, this is unlikely to be true, because the Institute publishes its lead authors' names in advance of review.[45] Additionally, peer review is undertaken only after a project has already been funded and confirmed for publication by the Institute itself. This means that while a traditional peer-review will reject the majority of papers submitted based on quality, there is no evidence that this ever happens at AHURI. This is because they are likely not filtering submissions for quality. They are reviewing work for which they have already paid.

AHURI's peer review process also seemingly fails to enforce its own quality standards. According to AHURI's own Research Handbook, their reports must be between 15,000 and 30,000 words to be accepted for peer review. However, 40% of AHURI's Final Reports published in the past decade run over the Institute's own stated maximum length, and an estimated 9% run below. This suggests almost half of AHURI's own research outputs violate the Institute's own standards.[46]

AHURI must demonstrate the robustness of their peer review process by disclosing the rejection rate, and the number of reports that have not been published because they did not meet the Institute's quality standards.

Doing this would assist policy makers and professionals in understanding the extent of the Institute's quality control measures, and how they might be improved.

[45] AHURI peer review statement, reproduced identically in the front matter of every AHURI Final Report. Project and lead-researcher listings from AHURI's Research in Progress page

[46] This is based on standards outlined in the 2026 Handbook. We cannot find earlier references to any internal processes before this edition. We recognise that this may be a new standard that previously did not exist before 2026.

4.3— AHURI is inefficiently organised

The organisation that replaces AHURI should be run under a centralised rather than networked model, with a single physical home. The new organisation should take lessons from case studies of other decentralised 'institutes', such as Alex Chalmers's writeup of the deeply unsuccessful Alan Turing Institute in the UK which, due to the same structures and incentives that currently plague AHURI, became substantially worse. "By outsourcing the institute to the universities," Chalmers writes, the Institute was guaranteed to "always be less than the sum of its parts".[47]

The reality is that no loose confederation of university labs is likely to be successful, because no researcher or team is empowered to take ownership of their work. Their employer, after all, is not AHURI, but their university. Absent skin in the game, the disconnected nature of AHURI's research apparatus stymies innovation and collaboration rather than encouraging it, kneecapping the Institute's ability to build a robust research culture of its own. The good news is that there are easy gains to be made: a centralised AHURI would very likely see productivity gains from the agglomeration effects of colocation alone.[48]

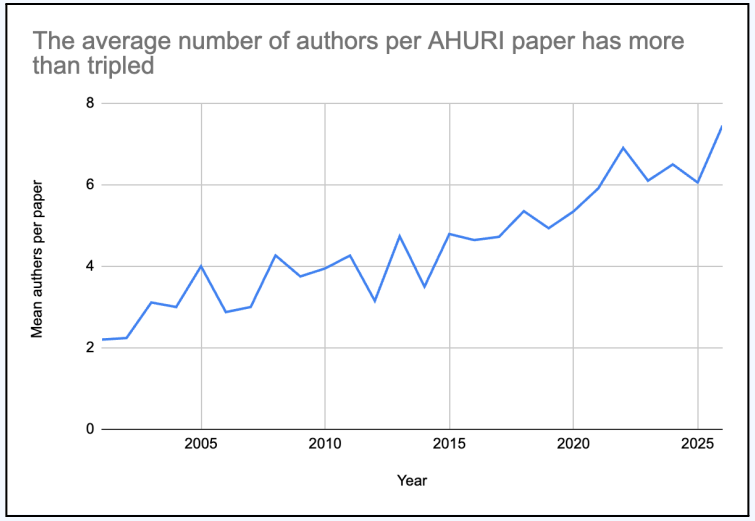
4.4— AHURI is becoming less efficient over time

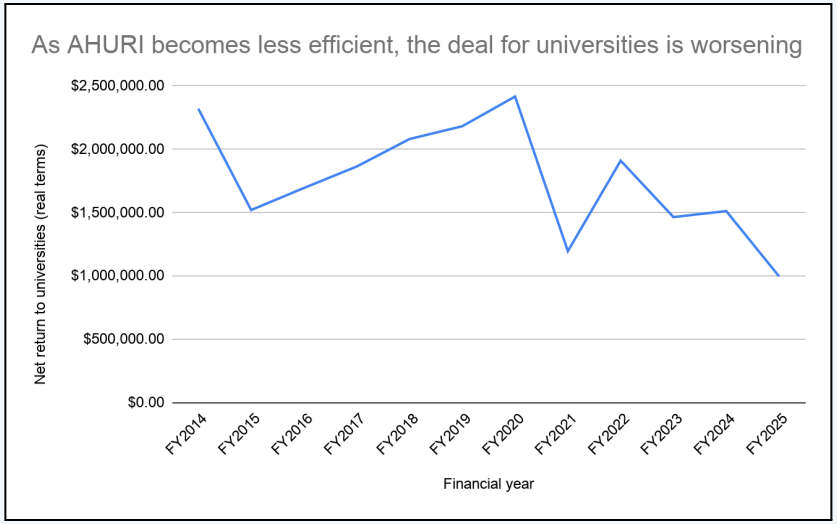
There are material indicators beyond its structure that indicate AHURI is overdue for reform. The organisation is becoming substantially *less* efficient over time, passing less and less money through to universities—while the Institute spends more of that money on itself. Across FY2014–16, an average 84% of AHURI's research funding passed through to universities. In FY2023–25, that number was just 65%.

	FY2014–16 avg.	FY2023–25 avg.	Change
Government grant to AHURI for the research program	$3,767,551	$4,078,558	**+8.3%**
Money passed through to the universities that do the research	$3,177,825 (84%)	$2,664,292 (65%)	**–16.2%**
AHURI's own spending	$4,241,201	$5,128,132	**+20.9%**

The researchers, too, are becoming less efficient over time. When AHURI was established, the average number of authors attached to each paper was just above 2. Now, that number is around 7.5. Meanwhile, the UK's Collaborative Centre for Housing Evidence maintains an average of 2.3 authors per output.

[47] Alex Chalmers, "How not to build an AI institute," *Chalmermagne*, published 27 March 2025; Alex Chalmers, "How not to fix an AI institute," *Chalmermagne*, published 14 July 2025.
[48] Agglomeration effects and housing market dynamics, AHURI Final Report No. 366.





It appears that both AHURI the *organisation* and AHURI the *researchers* are becoming less efficient, less productive, and less effective over time. This should alarm governments, who continue to fund an Institute that by every material measure is failing to improve.

This should also alarm universities. Universities pay AHURI a fee for the privilege of joining AHURI's silo, and in return their researchers are granted the right to bid for government funding. However, the return on the fees paid by universities is shrinking. While the administrators of AHURI-university partnerships may initially balk at the idea of a centralised replacement to AHURI, these administrators should be reminded that an increasingly inefficient AHURI constitutes an increasingly bad deal for their respective institutions' bottom lines.

AHURI's university partners receive increasingly low returns on the fees they pay. In 2025, the fees universities paid to AHURI were the highest on record: $1.45 million. The net return, on the other hand, was the lowest: $994,000. Until AHURI's internal spending is reigned in, and their programs made more effective, it is unlikely that the situation will improve for universities—or, indeed, for anyone.

4.5— AHURI's remit is too important to be left to an underperforming institution

A poorly organised and inefficient AHURI is bad for everyone: the Australian government, policy and research professionals, taxpayers, and the organisation's own research partners.

Housing and land use policy is a crucial component of a bigger, better Australia. Our nation's flourishing is too important for these topics to be in the hands of an institution that is demonstrably failing to operate efficiently or with positive impact.

Yes, $4 million a year is very little money in the scheme of government budgets. But the damage the institution does by publishing low-quality and poorly conceptualised work is far greater than the opportunity cost of a seven-figure budget line item.

Operationalised well, a budget of $4 million would be game-changing for Australian housing and land use research. Even a fraction of that budget—deployed under talented leadership that is oriented toward rigour and refinement—could be genuinely revolutionary for the development of housing, land use, and infrastructure research in this country.

Universities may object to this. But too much is at stake for AHURI to be allowed to keep its Commonwealth research funding monopoly in its current form. The Institute must be wound down, and replaced with something new.

5— Conclusion: How do you solve a problem like AHURI

We began writing this report with the belief that AHURI could be reformed. We believed that the research could be improved through greater oversight, quality control, and leadership, that the Institute could be transformed under a new Managing Director, and that ties could be cut with university labs in favour of centralising the Institute under a single roof to foster greater collaboration, efficiency, and innovation. This sort of reform has been previously recommended in one form or another by various bodies and individuals, including the Productivity Commission, and one of this report's own authors.[49]

Our analysis reveals that AHURI is likely beyond repair, and that reform is highly unlikely to be successful.

AHURI is beyond repair. Its research is low-quality and routinely contains major errors. The Institute has never once issued a correction or responded to critique.[50] Its peer review process is opaque and likely non-functional. Its private consultancy delivers low-quality evaluations to government and non-profit clients, and its professional communications routinely misinterpret the Institute's own work.

The two main tasks of a research institute are topic selection and quality control. AHURI fails at both. The result is an organisation that spends millions of dollars a year on research that is low-quality and which reduces rather than adds to the clarity of Australian housing and land use policy.

This is a problem: these are important, foundational policies that cannot be left to an institution that has, by every measure we've looked at, failed to fulfil its remit.

Our key recommendations are as follows:

1. **The Commonwealth should establish a new, centralised housing and urban research organisation** with an annual budget of at least $4 million to match current federally funded research commitments.
2. **The Commonwealth should wind down AHURI.**

The reason we recommend winding down AHURI rather than reforming it is that it is quite difficult to restructure organisations in this country. It is very challenging to fire underperformers, particularly in government and quasi-government organisations, as well as universities.

As such, even the most ambitious new Managing Director of AHURI will find it difficult to correct course, simply because the incumbent bias within the organisation is so strong. Culture eats strategy for breakfast, and it is abundantly clear that AHURI's current culture lacks both curiosity and rigour. It will be easier and more effective to simply build something new, in parallel with winding down the incumbent Institute.

The political challenge should not be understated. As part of the National Housing and Homelessness Agreement, State governments feel ownership over AHURI, as does the university lobby.

There are two other policy options available:

[49] *Housing and Homelessness Agreement review*, Productivity Commission, 2022. Recommendation 5.9, "More contestable National Housing Research Program funding", p. 164; *The Problem with Urban Planning*, Jonathan O'Brien (2025). Inflection Points.
[50] There are no correction notices on their website. Nor have we found any of the authors responding to public critiques.

Alternative policy option 1: Centralise AHURI and build a genuinely ambitious Institute.

All National Housing Research Program (NHRP) funds should be channelled toward the creation of a genuine Institute where high-quality research can be developed within internal teams, who are cross-pollinating and innovating within a shared location.

This could simply constitute an expansion of AHURI's current Melbourne location, where the Institute's administrative team is currently located. Meanwhile, university partnerships should be broken off, and researchers should be hired directly by the Institute. These researchers should be sourced from the private, non-profit, public, and university sectors, enabling a wider diversity of talent to feed into this renewed and ambitious nation-leading institution.

Alternative policy option 2: Make the NHRP funds broadly contestable, including from researchers from outside of the university sector.

This is the option of which we are least in favour, despite previous support from the Productivity Commission in their 2022 review of the National Housing and Homelessness Agreement.

While making the National Housing Research Project (NHRP) grants contestable is better than the alternative, it is unlikely to have a meaningful positive impact, and only makes sense as an option of last resort for reforming AHURI.

Our own analysis indicates that contestability will not solve the problem meaningfully. Beyond NHRP, the National Competitive Grants Program (NCGP) is the main source of academic research funding Australia-wide. Over the 2021-25 period, the NCGP dispersed an additional $22 million in grants for urban and regional planning research. More than 75% of both individual grants and total funds were awarded to AHURI partners. While this does indeed indicate that AHURI's researchers are more than capable of competing for research funding outside of their silo, it also indicates that contestability will not be a meaningful salve to our housing and land use research woes. This is because we currently lack researchers with requisite funding and mandate to look into the most meaningful problems facing our nation in the areas of land use, and housing supply regulation today.

While we include these two alternative policy options for the reader, we strongly recommend that the Commonwealth follow this report's two main recommendations: wind AHURI down, and build something new.

Our two key recommendations are possible over and above these alternatives in no small part because AHURI is cheap. It is a million-dollar line-item in a billion-dollar budget. The costs are low enough that AHURI's replacement could in the short-term be funded and operated in parallel—perhaps even on a smaller budget of around $2 million—and still outperform the incumbent organisation with ease. A staggered approach like this, where both organisations run simultaneously for a period of 1–3 years, would enable AHURI's replacement to prove itself while the National Housing and Homelessness Agreement is altered to support this new organisation instead of the failed incumbent.

The Commonwealth has the money to do this. An ambitious Minister could simply dedicate the small portion of funds required to build and empower a parallel organisation to deliver the high-quality housing, land use, and infrastructure research required to ensure that Australia is a prosperous country that is actually oriented toward solving its housing crisis, by drawing on broader international literature, as well as more robust methodologies, stronger datasets, and better talent.

Organisations like Grattan Institute, the Centre for Independent Studies, and e61 have demonstrated that immense value can be created by small teams with high levels of autonomy.

AHURI's replacement should be disconnected from the universities, and operate as a single organisation with a high degree of freedom to answer difficult questions focused on delivering material benefits for Australians through stronger understandings of housing, land use, and infrastructure nation-wide.

If we are to build the better and more equitable systems of housing, land use, and infrastructure that our nation needs, then it will be necessary to rapidly develop expertise in the fields of urban economics and land use regulation. This will enable our government-funded researchers to provide the analytical basis for the kinds of contemporary policy tools that Australia's land use regulators will need in order to deliver more liveable, sustainable, and affordable cities in our nation's highly urbanised future.

AHURI must be wound down, and something better must be built in its place.