



Senate Economics References Committee

13 April 2015

Senator the Hon Stephen Parry
President of the Senate
Parliament House
Canberra ACT 2600

Dear Mr President

Pursuant to Senate standing order 38(7), I present to you an interim report of the Economics References Committee's inquiry into Affordable Housing.

On 12 December 2013, the Senate referred an inquiry into affordable housing to the Senate Economics References Committee for inquiry and report by 26 June 2014. The Senate subsequently extended the reporting date on three occasions: first to 27 November 2014, then to the first sitting day in March 2015 and finally by 14 April 2015. The terms of reference are comprehensive and include the following matters:

- (a) the role of all levels of government in facilitating affordable home ownership and affordable private rental, including:
 - (i) the effect of policies designed to encourage home ownership and residential property investment,
 - (ii) the taxes and levies imposed by the Commonwealth, state, territory and local governments,
 - (iii) the effect of policies designed to increase housing supply,
 - (iv) the operation, effect and future of the National Rental Affordability Scheme,
 - (v) the regulatory structures governing the roles of financial institutions and superannuation funds in the home lending and property sectors, and
 - (vi) the operation and effectiveness of rent and housing assistance programs;
- (b) the impacts, including social implications, of public and social housing policies on housing affordability and the role of all levels of government in providing public and social housing;
- (c) the impact of Commonwealth, state and territory government policies and programs on homelessness;
- (d) the contribution of home ownership to retirement incomes;
- (e) the implications for other related changes to Commonwealth government policies and programs, including taxation policy, aged care, disability services, Indigenous affairs and for state and territory governments;
- (f) the need to develop improved overview and accountability mechanisms in relation to Commonwealth grants and funding to the states and territories in order to ensure that public funding delivers outcomes consistent with Commonwealth objectives;

- (g) planning and policies that will ensure that women, particularly vulnerable women, have access to secure, appropriate, affordable and adaptable accommodation;
- (h) planning and policies that will ensure emergency and essential service workers have access to affordable housing close to where they work;
- (i) planning and policies that will ensure the availability of an appropriately skilled workforce;
- (j) the role of innovation in building materials and construction, including prefabricated and sustainable materials;
- (k) the impacts of improving sustainability (including energy efficiency) of new and existing housing stock on improving housing affordability;
- (l) the role of innovative and responsible funding mechanisms used in other countries, including the United Kingdom, United States of America, France, Canada, Austria and the Netherlands, that provide a stable and cost effective way of funding affordable rental and social housing, such as affordable housing supply bonds and an affordable housing finance corporation;
- (m) the role and contribution of the community housing sector in delivering social and affordable renting housing;
- (n) the need to increase the supply of accessible and adaptable housing, and housing that is culturally appropriate;
- (o) the impact of not having a long-term, national affordable housing plan; and
- (p) any other matters the committee considers relevant.

Conduct of inquiry

The committee advertised its inquiry on its website and in the *Australian*. The committee also wrote directly to the Commonwealth, state and territory governments, organisations, academics and other people known to be interested in housing in Australia drawing attention to the inquiry and inviting them to make written submissions.

Submissions

The committee received 230 submissions as well as additional information and answers to a series of written questions. The committee held eight public hearings in Adelaide, Canberra (3), Melbourne, Brisbane, Sydney, and Perth.

Reporting

The committee is preparing a comprehensive report to address the terms of reference. In order to allow committee members sufficient time to consider the draft report, the committee has agreed to present this interim report with the intention of tabling its final report before 8 May 2015.

Yours sincerely

Senator Sam Dastyari
Chair