

Additional Comments from the Australian Greens

1.1 This report and its recommendations are the first serious attempt to address the chronic housing affordability crisis during the term of the Abbott government. Its refusal to sign on or engage meaningfully with the recommendations or intent of this report is disappointing in the extreme. It is also perplexing. The Treasurer on one hand has recently acknowledged the housing affordability crisis in Australia and announced a Housing Affordability Taskforce, yet on the other delivered a Budget that abolished over \$590 million of homelessness and housing affordability programs, and then axed the three peak expert bodies on homelessness and housing three days before Christmas.

1.2 The Australian Greens appreciate the collaborative and professional way the Inquiry was conducted over the last year, and thank the many expert witnesses who participated.

1.3 We particularly wish to thank the witnesses who were experiencing homelessness at the time they participated in the inquiry. Their experiences and advice described to the committee were powerful and moving, and we note have translated to concrete recommendations. We strongly urge Federal, State and Local governments to talk to, rather than about, the homeless, and act with the urgency and compassion desperately needed in this country.

1.4 We note the recommendation proposed by people experiencing homelessness to investigate Centrelink as a one stop shop to assist people experiencing or at risk of homelessness, with referral and in-house expertise to link clients with services and housing. This one single action could change the lives of hundreds of thousands of Australians who are currently experiencing or at risk of homelessness.

1.5 We also wish to thank and acknowledge those witnesses and tireless advocates who gave evidence on the basis of expertise - even as they were being defunded by the government.

1.6 Since the last Senate Inquiry into Housing Affordability in 2008, not only has the housing affordability crisis deepened, but countless initiatives introduced after the report was delivered have been abolished by the current government. It is hard to overestimate the impact of axing the Ministerial Housing Portfolio, the National Housing Supply Council, Major Cities Unit, National Urban Policy, Ministerial Council on Homelessness, National Partnership Agreement capital program for new homelessness shelters, COAG Reform Council on Housing, Housing Help for Seniors Program, National Rental Affordability Scheme, First Home Savers Scheme, Housing Affordability and Innovation grants program, and national expert peak bodies Homelessness Australia, National Shelter and the Community Housing Federation of Australia.

1.7 The Australian Greens support the findings and recommendations of the committee but wish to make some additional comments.

1.8 The report includes what we believe to be a missed opportunity to engage meaningfully with Commonwealth tax reform. This is an area in which the Greens will continue to be strong advocates.

1.9 The issue of Inclusionary Zoning – or setting mandatory targets for affordable housing in developments over a certain size usually at the state government level - was also ignored despite its local and international success in delivering diverse types of affordable housing. The Australian government and opposition has much to learn from local examples in South Australia as well as numerous European cities, where targets of 15-33% affordable housing (including private rentals) are being routinely delivered as part of development models that deliberately include private and non for profit housing companies as part of the development consortium, and where government plays a direct partnership role.

1.10 The Australian Greens believe the committee report paints a partial picture, and represents an incomplete roadmap to Housing Affordability.

1.11 To this end the Australian Greens recommend:

1.12 That the Commonwealth include inclusionary zoning targets in any national affordable housing plan using evidence-based models to assess the impact of inclusionary zoning on housing supply and affordability.

1.13 In addition to the recommendations, the Greens commend our 9 point *National Housing Roadmap* – a comprehensive and costed plan to address Australia’s Housing Crisis – as a contribution to the debate, and look forward to these issues being dealt with the urgency they deserve.

1.14 To this end the Australian Greens recommend:

- 1. Doubling the funding currently available for specialist homeless services and build 7,000 new homes for people currently sleeping rough as a matter of urgency.** At a cost of \$900 million – 1 billion a year to 2020 this would end the most urgent need in homelessness and mean over 400 people in crisis each day were not being turned away from services.
- 2. Halving the social waiting list within the decade** by providing funding to build 122,000 new social housing homes - enough to halve the waiting list in ten years and provide a home for more than 250,000 Australians languishing on the waiting lists. This would cost \$700 million per year, plus \$25 million per year for a new affordable housing supply bonds instrument.
- 3. Introducing an Affordable Housing Supply Bond instrument** to provide a safe and tested mechanism that would generate \$2 billion of finance from a \$25 million per year government investment, and would allow large institutional investors and smaller mum and dad investors to invest in affordable social housing and rentals.
- 4. Introducing a Better Deal for Renters** package that would include establishing a new national body to introduce national minimum standards for rentals, boost renters' rights, make rental properties safer, more sustainable, energy and water efficient, and more affordable. Under the Greens plan,

landlords will be offered a package worth \$500 per property to help them make upgrades and meet the new national standard. It would also provide an extra \$3 million for Tenants' Advocacy services. This package would cost \$103 million per year.

5. **Adopting the Henry Tax Review recommendation to reduce Capital Gains Tax concessions on investments** (including property) by 10% as a minimum, as a costed revenue initiative. This would save \$3.4 billion over the forward estimates and would provide much needed revenue to be used to build affordable housing.
6. **Building 85,000 new affordable rentals over the next decade**, including funding for 20,000 student rentals through a new University NRAS scheme.
7. **Introducing a 'Convert to Rent' scheme** to provide financial assistance to property owners to help convert vacant or unused space into rental units to provide affordable housing to low income households. Just \$345 million over ten years would fund 15,000 conversions.
8. **'Repowering' our entire social housing stock by installing solar panels and insulation on every single Australian social housing dwelling** to help tenants save energy and money. \$78.3 million per year over ten years would see 520,000 social housing homes retrofitted and repowered, saving tenants about \$500 per year and contributing significantly to reducing carbon emissions; and
9. **Kick-start an Australian-made prefabricated housing industry to quickly, sustainably and cheaply build affordable homes** – and boost local jobs and innovation at the same time. The Greens plan would introduce a \$50 million sustainable prefabricated modular housing industry package over 5 years to provide support for Research and Development, Innovation, Excellence in Design, skills and training, assistance establishing new production and manufacturing facilities, and demonstration projects. The package would also establish direct opportunities for Aboriginal and Torres Strait Islander peoples to obtain training, trade qualifications, and employment across the prefabricated housing industry.

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