



SHELTER WA

**INQUIRY INTO THE BARRIERS OF HOME
OWNERSHIP**

**SELECT COMMITTEE ON HOUSING AFFORDABILITY
IN AUSTRALIA**

SUBMISSION TO THE DEPARTMENT OF SENATE

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INTRODUCTION

This submission by Shelter WA responds to the Terms of Reference released by the Department of the Senate on 27th February 2008 relating to the Select Committee on Housing Affordability in Australia, investigating the barriers of home ownership.

In response to this invitation by the Department of the Senate, Shelter WA fully supports the inquiry to evaluate the affordability of housing in Australia, and notes with approval the intention of the Select Committee to identify and examine mechanisms available, to improve the affordability of purchasing a home for median and low income households.

Shelter WA's comments have been framed to respond to the Terms of Reference.

The barriers to home ownership in Australia, including:

- a) the taxes and levies imposed by state and territory governments;
- b) the rate of release of new land by state and territory governments;
- c) proposed assistance for first home owners by state, territory and the Commonwealth governments and their effectiveness in the absence of increased supply;
- d) the role of all levels of government in facilitating affordable home ownership;
- e) the effect on the market of government intervention in the housing sector including planning and industrial relations laws;
- f) the role of financial institutions in home lending; and
- g) the contribution of home ownership to retirement incomes.

As general recommendations Shelter WA calls for

General Recommendation 1

Government to introduce uniformity and consistency across all levels of government and between all government agencies in the definition and application of the terms: 'taxable income and assets', 'assessable income and assets', 'gross income' and 'net income' and that where items are included or excluded in these definitions that this be informed by a systemic approach, well-articulated principles and intentions, the spirit of which is legally enforceable.

General Recommendation 2

Government to aggressively monitor and impose heavy penalties on Trusts and other Entities operating to conceal personal wealth and generate tax-exempted income for a small number of connected or related beneficiaries. Furthermore, where legitimate trusts are established, that it be a requirement for these bodies to provide evidence of benevolent charitable expenditure equivalent to profit, delivering identified value for money social outcomes.

General Recommendation 3

Government require both parties benefiting from the proceeds of transaction or in receipt of gifts of significant value to include this information in any subsequent assessments of income and assets.

RECOMMENDATIONS

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Government require both parties benefiting from the proceeds of transaction or in receipt of gifts of significant value to include this information in any subsequent assessments of income and assets.

SPECIFIC RECOMMENDATIONS

Specific Recommendation 1

State Government to cap the exemption from land tax for owner-occupiers at a level 10% above the median house price for a region.

Specific Recommendation 2

State Government to remove stamp duty and land tax on houses and house-land packages at a level 10% below the median house and house and land package price for a region.

Specific Recommendation 3

State Government to remove stamp duty on former industrial and commercial land 'brownfield' site developments for developments with 50% medium-higher density private affordable rental, community housing, public housing and low-income public private shared equity dwellings.

Specific Recommendation 4

That the ability to deduct property investment net loss from other taxable income, be confined to owners in the first 3 quintiles of income range and restricted to residential property that is offered to low-and median income earners at a rate 20% below market value.

Specific Recommendation 5

That new land release should be conservatively managed and respectful of the urgent need to protect and conserve Western Australia's delicately balanced environment, water system and natural resources including the habitat of threatened and endangered species

Specific Recommendation 6

That new land release for residential construction should not reduce Western Australia's arable farmland for future food and fibre production

Specific Recommendation 7

That new land release for residential development on the urban fringe be minimised or delayed until underutilised and available brownsite urban areas are developed.

Specific Recommendation 8

That eligibility for the First Home Owners Grant be limited to people in the first 2 quintiles of income range who are Australian Citizens and have been for at least 5 years and that the purchase property be less than or equal to the median house value in the area.

Specific Recommendation 9

Audit of land availability in desirable metropolitan locations including potential brownsite and vacant government land and buildings be undertaken to determine potential affordable housing sites including opportunities for public private partnerships to deliver affordable housing of varying tenures including affordable private ownership, diversity of sizes, styles and social mix. That this information articulates with projections for provision of adequate stock for future social housing need.

Specific Recommendation 10

An independent lead agency be authorised and resourced to develop a common sustainable and evolutionary framework for land development, objectively identifying principles for locations of public and other transport routes, mixed-use with co-located commercial and residential locations, and for diversity of dwelling type, size, density social mix and tenure.

This agency should work initially with WALGA, DPI, WAPC, PTA, RDC's, ACC's and other regulatory and consultative bodies, and then go on to legally establishing a bilaterally agreed framework that integrates private landholders aspirations with social needs and community, Crown and Public land stakeholders including those with Indigenous and Native Title landholdings.

Specific Recommendation 11

Shelter WA supports the policy adopted by the CCCLM in its entirety and calls for procedural and administrative details to be developed, specifically for the application of exemptions or significant concessions to Local Government Rates, Levies and service fees for Government and Non Profit Housing Providers, and for eligible recipients of other related housing subsidies including those in receipt of a means tested FHOG.

Specific Recommendation 12

That Government establishes benchmark affordable housing quotas and long term re-sale covenants and restrictions, to be applied to the sale of any government land, whether green field releases or re-development of surplus sites, including the sale to private buyers of former public housing stock. Treasury rules about immediate maximisation of returns from such sales should be adjusted to accommodate a long-term security of capital and adequate social housing stock approach.

Specific Recommendation 13

Shelter WA supports vigorous and assertive monitoring, strict regulation and evidentially based transparency in dealings with any body, agency or corporation that effects monetary transfer and offers the possibility of profits on personal securities and investments.

Specific Recommendation 14

Shelter WA supports the development of a policy that encourages older people to 'cash in' and trade down their under-occupied capital asset, giving them a potential retirement income stream, and that provides the government some level of taxation return on public community utility infrastructure provision and maintenance.

Specific Recommendation 15

Shelter WA sees potential for an evaluation of the impact of death duties to the estates of those in the highest quintile of income ranges, to encourage earlier realisation of personal assets that could be used to support care and health needs and costs for older people.

ADDITIONAL RECOMMENDATIONS

Additional Recommendation 1

Shelter WA calls for the restoration of public housing targeted for people in receipt of Centrelink Benefits or an equivalent low income at a level of at least 6% of total housing presence in any region. Community housing, CAP emergency accommodation, transitional and long term supported facilities should not be included in this 6% of 'mainstream public housing'.

Additional Recommendation 2

Shelter WA calls for Government to support and build toward a desirable and sustainable level and overall proportion of affordable rental, affordable privately owned and shared equity dwellings, public, community and special need accommodation. A proposed rate to be on average 18-20% of all residential properties in an urban metropolitan region and not less than 12% in town centres.

Additional Recommendation 3

Shelter WA calls for Government to urgently review the operation eligibility criteria and application of Commonwealth Rental Assistance in alleviating rental stress for low income renters, and calls for exploration of the capacity to apply regional and market sensitive instruments to a subsidy of this type, whilst removing the disparities and inconsistencies in 'assessable income' for recipients of this benefit.

Additional Recommendation 4

Shelter WA calls for a review of all accommodation and housing related funding agreements including those administered as part of funding agreements for other purposes including Health, Mental Health, Ageing, SAAP, Disability, Corrections, Child protection, Indigenous agreements and the CSHA. The intention is to identify where savings can be made in the removal of duplication and the implementation of shared arrangements to more coherently deliver adequate stock of special need and supported housing particularly where this can be co-located or combined to offer a desirable social mix and common care and accommodation quality and service standards for a broader range and more residents and tenants.

COMMENTS AND RECOMMENDATIONS

a) the taxes and levies imposed by state and territory governments;

There are a number of issues with current tax distortions, which have been strongly linked to house price inflation.

1. Current land tax and stamp duty levies give disproportionate encouragement for builders and developers to offer (and homebuyers to purchase) detached single larger homes in greenfield outer suburban estates. This is neither desirable nor an efficient use of natural scarce resources (including those used for private travel to employment and community centres) and leads to increasing average dwelling sizes whilst demographic changes indicate
 - Single occupiers are increasing in number and proportion,
 - Australian families are smaller and
 - There are fewer average number of residents in a household
2. Current land tax and stamp duty systems encourage more single detached houses at the expense of mixed purpose, multi dwelling, semi-detached and medium and higher density building - despite increasing demand
3. Large homes with fewer residents have more proportionate underutilised interior spaces that contribute higher environmental costs through inefficient use of land, increased carbon emissions through heating and cooling and a heavier ecological footprint.
4. Current land tax and stamp duty exemptions favour wealthy buyers, who use their tax-free occupied home to offset other income and reduce potential tax revenue to government
5. Current land tax and stamp duty exemptions favour investors to invest disproportionately in the top end of the rental market where higher building, establishment and loan interest rate costs can be offset by allowing these costs to be tax deductible against other income.
6. Current tax laws favour investors over owner occupiers as ingoing fees and other costs are not deductible for owner-occupiers.
7. Current land taxes and stamp duties disproportionately penalise new and first home buyers, requiring that these people to indirectly pay development, utility connection and underground infrastructure costs loaded up-front on the price of their home, but do not allow government to benefit from property appreciation windfalls when dividends are realised sometime in the future at the point of turnover.

Shelter WA supports;

Specific Recommendation 1

State Government to cap the exemption from land tax for owner-occupiers at a level 10% above the median house price for a region.

Specific Recommendation 2

State Government to remove stamp duty and land tax on houses and house-land packages at a level 10% below the median house and house and land package price for a region.

Specific Recommendation 3

State Government to remove stamp duty on former industrial and commercial land 'brownfield' site developments for developments with 50% medium-higher density private affordable rental, community housing, public housing and low-income public private shared equity dwellings.

This would encourage entry into home purchase for lower- and middle-income households without inflating house prices and also offer trade-off incentives to build adequate numbers of affordable rental properties in accessible serviced locations.

The inflationary impact of a non-means tested First Home Owners Grant is discussed below, along with gaps and inconsistencies in the level and allocation of Commonwealth Rental Assistance.

Shelter WA supports Negative Gearing for commercial and industrial property investment to be limited and gradually phased out, and that negative gearing applying to investment in residential rental property be leveraged to deliver social benefits.

Specific Recommendation 4

That the ability to deduct property investment net loss from other taxable income, be confined to owners in the first 3 quintiles of income range and restricted to residential property that is offered to low-and median income earners at a rate 20% below market value.

b) the rate of release of new land by state and territory governments;

Specific Recommendation 5

That new land release should be conservatively managed and respectful of the urgent need to protect and conserve Western Australia's delicately balanced environment, water system and natural resources including the habitat of threatened and endangered species

Specific Recommendation 6

That new land release for residential construction should not reduce Western Australia's arable farmland for future food and fibre production

Specific Recommendation 7

That new land release for residential development on the urban fringe be minimised or delayed until underutilised and available brownsite urban areas are developed.

People living in homes built in these locations have higher transport and travel costs to access employment opportunities in urban centres, have higher environmental costs in vehicle emissions, and new owners experience a higher risk of their homes falling into negative equity. These fringe and outer suburbs can be socially isolating when families move away from support networks to live there, and often lack community facilities and amenities such as shops, medical services and public transport.

c) proposed assistance for first home owners by state, territory and the Commonwealth governments and their effectiveness in the absence of increased supply;

Shelter WA supports improved targeting of the First Home Owners Grant. All first home purchasers are currently eligible for the grant, regardless of their income, the price of the property, and disregarding previous or current property ownership overseas.

People with adequate independent means and personal resources to purchase a median or more expensive home are able to access the grant.

In the absence of adequate supply of diversity in dwelling sizes, styles and price ranges, this simply puts more money in the hands of people who prefer and can afford larger houses. The same larger houses that builders prefer to build on the homogenous lot sizes developers prefer to develop on the scarce remnant uncleared land on the urban fringes.

This contributes to the increasingly unrealistic and unsustainable aspirations Australians historically claim for 'the white picket on the quarter acre'. Demographic shifts, and an increasingly mobile and temporary workforce means smaller, shorter term, easier maintenance, 'lock and leave' homes are in demand. These homes must be high tech, comfortable and low care and most importantly affordable, with tenure secure but easy to obtain and gain to release and purchase and changeover costs reasonable and stable for the long term.

The current market where government fuels disposable income toward a highly desirable item results in inflated prices of a restricted product. This therefore makes it even harder to enter the type of mainstream home ownership available for those on lower incomes.

Without verification Shelter WA is concerned that a large proportion of FHOG monies may have been allocated to people who by no means, can be said to have been in housing stress. A number of analysts including Glen Stevens of the RBA have identified that the FHOG contributed to a significant (and percentage wise proportionately larger) increase in house prices that occurred across Australia since the introduction of the scheme in 2000.

Shelter WA recommends that such a scheme should be limited to homes below a modest level and be income-tested, but that people with previous modest undeveloped land holdings no longer be excluded to apply.

Shelter WA in February 2006, has previously highlighted the shortcomings of the FHOG and outlined recommendations for this scheme (Shelter WA, 2006, Submission: First Home Owners Grant Review). It was recommended and still supported by Shelter WA that;

- a) That First Home Owner Grants be made available only to Australian households earning below the median income, or/and
- b) That First Home Owner Grants be made available only to dwellings below the median housing price in the area.
- a) That a safety net system such as voluntary public shared equity be developed and implemented aimed at home purchasers who find themselves in financial difficulty.

Specific Recommendation 8

That eligibility for the First Home Owners Grant be limited to people in the first 2 quintiles of income range who are Australian Citizens and have been for at least 5 years and that the purchase property be less than or equal to the median house value in the area.

d) the role of all levels of government in facilitating affordable home ownership;

A combined and collaborative approach to affordable home ownership is needed at all levels of government. Currently a great deal of time and resources are wasted in the 'disconnects' between state and local by-laws, regional development and master plans.

Local development applications to LGA's are regularly refused and decisions appealed at DPI and Planning Commission State level resulting in costly and socially damaging delays, frustration, ill-feeling and distrust between all parties involved.

Coarse grained geographical zoning and rigid application of 'R' Codes have long been identified as barriers to community diversity and a limitation to vibrant, integrated townships and urban centres.

As the costs of travel increase, government must consider ways to encourage fewer and shorter private vehicle trips. This can be achieved by allowing home and small businesses more diversity of location. Having commerce and homes co-located offers security spin-offs for business owners through public passive surveillance. It is more convenient for local residents employed closer to home and able to shop, eat and access services locally. People live in slightly closer proximity to each other, are less wasteful, more numerous to support local businesses and are more ambulant and therefore healthier, walking to the corner shop instead of driving to the mega-store 'centre' far away.

Sound progress has already begun, with several WA Metropolitan, Avon Arc, Peel and more coastal and regional WA local governments already approving an increasing number of applications for re-developments and multi-unit developments and varying an increasing number of areas from low 'R codes' to higher density allowances.

However, these local decisions are not integrated or coordinated in an overall framework or with any common understanding of the social, environmental or other principles informing approvals or rejections, nor with any consideration to overall population and housing need projections.

This is most evident for current unmet need for social and affordable rental housing.

The data for adequate supply of accommodation to cater for people on low incomes now and into the future with:

- residential aged care needs;
- supported temporary and permanent psychiatric accommodation needs;
- needs for respite and permanent housing for the physically and intellectually disabled;
- needs for drug and alcohol treatment facilities;
- needs for housing for people leaving prison;
- along with the vast unmet need for refuge, emergency and crisis housing;

are easily available from responsible government agencies and the proportions of which for a population remain fairly stable and yet we have not got this fundamental aspect of a civilised, advanced, developed, first world community 'bedded down'.

Specific Recommendation 9

Audit of land availability in desirable metropolitan locations including potential brownsite and vacant government land and buildings be undertaken to determine potential affordable housing sites including opportunities for public private partnerships to deliver affordable housing of varying tenures including affordable private ownership, diversity of sizes,

styles and social mix. That this information articulates with projections for provision of adequate stock for future social housing need.

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This agency should work initially with WALGA, DPI, WAPC, PTA, RDC's, ACC's and other regulatory and consultative bodies, and then go on to legally establishing a bilaterally agreed framework that integrates private landholders aspirations with social needs and community, Crown and Public land stakeholders including those with Indigenous and Native Title landholdings.

e) the effect on the market of government intervention in the housing sector including planning and industrial relations laws;

Shelter WA is particularly pleased with the initiative being shown by the City of Perth Council in the adoption of the City of Perth Affordable Housing Policy 6:17. This policy incorporates principles developed by the Australian Council of Capital City Lord Mayors and are presented here:

1. Continue to develop and expand the stock of public and community housing.
2. Encourage partnerships between the public and private sectors.
3. Pursue amendments to the planning system and develop planning policies to encourage affordable housing.
4. Ensure the planning and design of affordable housing provides for appropriate quality of design, cost, location and access to transport and services, sustainability, tenure choice and social mix.
5. Continue to undertake research to identify housing affordability trends and issues.
6. Continue to work with State Government departments and non-profit housing organisations to provide affordable housing and housing services.
7. As a member of the Council of Capital City Lord Mayors (CCCLM) lobby the Federal and State governments to initiate incentives for developers, investors and landlords to provide affordable and accessible new housing for people on low incomes.
8. As a CCCLM partner, advocate for the implementation of a National Affordable Housing

Specific Recommendation 11

Shelter WA supports the policy adopted by the CCCLM in its entirety and calls for procedural and administrative details to be developed, specifically for the application of exemptions or significant concessions to Local Government Rates, Levies and service fees for Government and Non Profit Housing Providers, and for eligible recipients of other related housing subsidies including those in receipt of a means tested FHOG.

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from such sales should be adjusted to accommodate a long-term security of capital and adequate social housing stock approach.

f) the role of financial institutions in home lending; and

Shelter WA along with consumer credit and community legal centres has long been concerned about predatory activities of financial and credit institutions, and the lack of nationally consistent enforceable standards, accountability and transparency in their dealings.

Western Australians suffered in the past from lack of regulation of 'WA Inc.', unscrupulous Finance Brokers, Financial Advisors, Share Traders and Sham Property Developers. When these people are intimately linked with financial institutions and the profit of institutions relies on credit, fees and interest charged to consumers, there is an obvious need for independent and objective regulation and vigilance.

Specific Recommendation 13

Shelter WA supports vigorous and assertive monitoring, strict regulation and evidence based transparency in dealings with any body, agency or corporation that effects monetary transfer and offers the possibility of profits on personal securities and investments.

For older people and those retired from the workforce loss of a lump sum pay-out of superannuation savings later in life to a dodgy financial con man costs government and the community, and wreaks havoc on trusting and vulnerable individuals and families.

g) the contribution of home ownership to retirement incomes.

Home ownership and personal enjoyment of the physical shelter and other social benefits of unencumbered property occupancy correlates with reported quality of life and satisfaction, is an indicator of financial and personal health and wellbeing, is linked to longevity, resilience, recovery, and of course higher disposable incomes in retirement. Similar security, adequate levels of disposable income and positive self-reporting are made by older people in accessible, secure and affordable public and other rental. And all good for those who have! The vast disparity between the 'haves' (at the polar ends of the spectrum ie in home ownership *or* equally so in secure subsidised rental) and the 'have-nots' (struggling in the private rental market) is inherently unfair for all older people.

However, older people experience barriers to trading down from large family homes to single or 2 person dwellings just when their physical and household needs no longer require a large house, their ability or desire to maintain a large residence is reduced or limited due to a lower retirement income or frailty, and their need for social support, human contact and assistance in close proximity increases. These barriers including stamp duty and tax disincentives to changeover, restrict residential re-development, contribute to the stress and social isolation of older people.

Currently, residential aged care providers benefit from the sale of property left vacant when an aged home occupier requires permanent care in a residential aged care facility. Also aged parents frequently 'hang on' at home to 'keep the house as inheritance for the children'. Both these outcomes lack broader social outcomes or government dividends and penalise families, individuals and households that have experienced illness, divorce or unstable incomes and have been forced to relinquish home-ownership or never had capacity to attain it. Indirectly this also encourages adult children's self interest, sibling rivalry and competition over bequeathed proceeds after death of their home-owner parent and potentially exploitative and occasionally elder abusive shared domestic arrangements

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Additional Recommendations

Shelter WA wishes the Select Committee to note:

The private rental sector is ignored in the debate about falling levels of home ownership. Shelter WA's concern is that housing affordability stress extends deeply and is arguably more widespread in the rental sector particularly for people on low and fixed incomes. Generous changes in taxation on superannuation have resulted in funds redirected out of the rental housing investment market and rental returns on investment have not kept pace with increasing property values and interest rate rises. There is now ample evidence indicating that there is a grossly inadequate supply of affordable rental housing at the bottom end of the market.

In Perth, the median household income is insufficient to obtain a loan to buy the median priced home in any metropolitan and many regional suburbs. REIWA statistics show that in December 2007, the median home in a metropolitan WA suburb was priced at \$465,000. An income of \$142,801 is required to service the average mortgage to purchase a house at this price. In WA the gross median income for this period was \$62,388 per year. This reveals an affordability gap of \$80,462, the shortfall in median income required for servicing a median mortgage.

Additional Recommendation 1

Shelter WA calls for the restoration of public housing targeted for people in receipt of Centrelink Benefits or an equivalent low income at a level of at least 6% of total housing presence in any region. Community housing, CAP emergency accommodation, transitional and long term supported facilities should not be included in this 6% of 'mainstream public housing'.

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Additional Recommendation 4

Shelter WA calls for a review of all accommodation and housing related funding agreements including those administered as part of funding agreements for other purposes including Health, Mental Health, Ageing, SAAP, Disability, Corrections, Child protection, Indigenous agreements and the CSHA. The intention is to identify where savings can be made in the removal of duplication and the implementation of shared arrangements to more coherently deliver adequate stock of special need and supported housing particularly where this can be co-located or combined to offer a desirable social mix and common care and accommodation quality and service standards for a broader range and more residents and tenants.

APPENDIX 1 Shelter WA

Shelter WA is an independent, community based peak body that promotes affordable, accessible, appropriate and secure housing for people on low incomes.

Since its establishment in 1979, Shelter WA has worked towards the elimination of homelessness and housing related poverty, focusing particularly on people who have low incomes or who are otherwise disadvantaged in the housing market.

The aim of Shelter WA is the realisation of a housing system that ensures:

- Every person has access to affordable, appropriate, safe and secure housing;
- Housing provision free from all forms of discrimination; and
- Housing that enhances people's health, dignity and life opportunities.

In order to coordinate and represent community sector views on housing related issues, Shelter WA regularly seeks input from housing consumers and community groups. In addition to meetings with community members and representatives, Shelter WA uses consultation and information forums and surveys as consultation mechanisms.

Shelter WA produces quarterly newsletters and information sheets, and prepares submissions, reviews, papers and reports on housing related matters. National Shelter, our national affiliate, regularly produces journals and research publications on housing. Both Shelter WA and National Shelter publications are a forum for the views of housing consumers, community groups and policy makers.

Many of Shelter WA's publications are also available on the Internet at www.shelterwa.org.au

APPENDIX 2 Terms of Reference

Senate Select Committee on Housing Affordability in Australia

1. That a select committee, to be known as the Select Committee on Housing Affordability in Australia be established to inquire into and report upon:

The barriers to home ownership in Australia, including:

- a) the taxes and levies imposed by state and territory governments;
- b) the rate of release of new land by state and territory governments;
- c) proposed assistance for first home owners by state, territory and the Commonwealth governments and their effectiveness in the absence of increased supply;
- d) the role of all levels of government in facilitating affordable home ownership;
- e) the effect on the market of government intervention in the housing sector including planning and industrial relations laws;
- f) the role of financial institutions in home lending; and
- g) the contribution of home ownership to retirement incomes.

That the committee present its final report on or before 16 June 2008.

Appointment of the Committee

- That the committee consist of 6 senators, as follows:
 - 2 to be nominated by the Leader of the Government in the Senate;
 - 3 to be nominated by the Leader of the Opposition in the Senate; and
 - 1 to be nominated by minority groups or independents.
- On the nominations of the Leader of the Government in the Senate, the Leader of the Opposition in the Senate and minority groups and independent senators, participating members may be appointed to the committee.
- Participating members may participate in hearings of evidence and deliberations of the committee, and have all the rights of members of the committee, but may not vote on any questions before the committee.
- A participating member shall be taken to be a member of the committee for the purpose of forming a quorum of the committee if a majority of members of the committee is not present.
- That the committee may proceed to the dispatch of business notwithstanding that all members have not been duly nominated and appointed and notwithstanding any vacancy.
- That the committee elect as chair one of the members nominated by the Leader of the Opposition in the Senate.
- That the quorum of the committee be 3 members.
- That the chair of the committee may, from time to time, appoint another member of the committee to be the deputy chair of the committee, and that the member so appointed act as chair of the committee at any time when there is no chair or the chair is not present, at a meeting of the committee.
- That, in the event of an equality of voting, the chair, or the deputy chair when acting as chair, have a casting vote.
- That the committee have power to appoint subcommittees consisting of 3 or more of its members, and to refer to any such subcommittee any of the matters which the committee is empowered to consider, and that the quorum of a subcommittee be 2 members.
- That the committee and any subcommittee have power to send for and examine persons and documents, to move from place to place, to sit in public or in private, notwithstanding any prorogation of the Parliament or dissolution of the House of Representatives, and have leave to report from time to time its proceedings and the evidence taken and such interim recommendations as it may deem fit.

- That the committee be provided with all necessary staff, facilities and resources and be empowered to appoint persons with specialist knowledge for the purposes of the committee with the approval of the President.
- That the committee be empowered to print from day to day such papers and evidence as may be ordered by it, and a daily Hansard be published of such proceedings as take place in public.