

Housing

AUSTRALIAN DEMOCRATS ACTION PLAN HOUSING

The Democrats believe that affordable and accessible housing is a fundamental right of all Australians, but it receives far too little attention as a political issue. The cost, accessibility and adequacy of housing can impact on a person's health, employment and training, access to employment, environment and wealth.

Affordability

“Affordable and accessible housing is an essential component of any policy aiming to address employment, family, community or welfare issues, yet it gets little attention from political parties.”

**Senator Andrew Bartlett
Spokesperson
on Housing**

Australia has a housing affordability crisis. Despite our nation's prosperity, 1.2 million households are in "housing stress" paying over 30% of their income into housing costs and over 400,000 are in "extreme housing stress", paying over 50% of their income on housing. Figures derived from the 2001 census suggest approximately 100,000 people are homeless on any given night.

Too many Australian households are stuck spending more than a third of their income on housing, putting their families under heavy financial and social pressure. First home buyers are struggling to enter the market, despite relatively low interest rates. Low cost rental properties are disappearing, as are boarding houses. Rising rental costs are an important factor in increasing levels of homelessness.

Private renters on low incomes are among the worst off, with more than half of all private tenants suffering housing stress.

House prices in Australia have doubled over the last decade. This is unsustainable and a significant contributor is the rapid rise in investor activity in the market. The Australian Democrats believe that current personal tax settings – including negative gearing and capital gains tax concessions – have played a significant role in driving this recent housing boom. The total extent and overall impacts of all tax and other financial subsidies affecting housing must be urgently reviewed in an effort to ensure these funds are targeted effectively and fairly.

Indigenous housing

Indigenous communities, both urban and remote, bear the brunt of housing disadvantage with extremely low levels of home ownership, high levels of homelessness and excessive overcrowding. Despite comprising 2% of the population, Indigenous people constitute 16% of the homeless population.

Almost 15% of Indigenous households across Australia live in over crowded housing, including almost 42% in Indigenous managed community housing and over 15% of those in State Government managed housing

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Environment and access

Australia's existing housing stock is placing unnecessary pressure on the environment. Much of it is sited too far from public transport. Inadequately insulated and poorly designed housing causes households to over-consume water and energy. This unnecessary consumption hurts the environment and also hurts the pockets of lower income earners. Energy use can be reduced by good design and urban planning.

A national housing strategy

Affordable and accessible housing is an essential component of any policy aiming to address employment, family, community or welfare issues, yet it gets little attention from political parties. The Australian Democrats, in common with many community groups, unions and the housing industry have long called for housing issues to be put firmly on the national political agenda.

We believe there must be a whole of Government approach to housing, with the Federal Government providing the impetus for national leadership and a consistent approach. It is imperative that Australia develops an integrated affordable housing strategy, which links housing, urban and regional development, social security and community services policies.

The Democrats propose that:

- A federal portfolio for housing be developed to provide a whole of government approach to housing to increase fairness, reduce poverty and financial disadvantage;
- A national affordable housing strategy be developed, involving all levels of government and parliaments, along with stakeholders at community level, to address the serious and ongoing crisis in housing affordability;
- Spending on the chronically under funded area of Indigenous housing needs to be significantly increased, and spent in the way which has most benefit for Indigenous people, rather than tailored to suit the ideological obsessions of political parties.
- A comprehensive National Indigenous Housing Strategy must be implemented to increase Indigenous home ownership, reduce overcrowding and provide increased rental housing in urban, regional and remote communities;
- Adopting wide-ranging initiatives to build more affordable housing, including a full review of how government spending, concessions and incentives are currently deployed. For example, there is now less than \$1 billion a year spent on public and community housing, while \$2 billion a year (and growing) is spent on private rent assistance, which in many cases is a subsidy for landlords, and there is a further \$2 billion expenditure a year (and growing) in negative gearing concessions for property investors.



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Action on housing

- The first home owners grant should be means tested and targeted at greater social and environmental outcomes, including accessibility.
- The Australian Democrats support continued reform and regulation of tenancy databases and the development of consumer protections against the misuse of information.
- We will continue to push for the modification of negative gearing and the phased reduction of capital gains tax concessions for investment properties, while promoting new incentives to invest in affordable housing.
- We will focus on national planning and design standards that balance the need for environmentally sustainable and affordable housing with simplified planning requirements.
- We will address the challenging task of devising a long-term strategy of investment of public monies, to both stimulate the supply of private rental housing affordable to people on low incomes, as well as to increase the stock of public and community housing.
- The Australian Democrats will continue to hold governments accountable for inaction on housing. We believe that government can no longer solely focus on the narrow economic issues and assume that low interest rates will solve housing problems. Housing is an integral part of the nation's economic infrastructure. If the present crisis is left unchecked, the lack of affordable housing will create a permanent wealth divide and bring disruptive social, economic and political consequences to Australia.