# A TIME FOR ACTION

### Australian Institute of Architects

## **2022 Federal Election Policy Statement**

### PRIORITY 2 - FIX THE SUPPLY OF AFFORDABLE AND SOCIAL HOUSING

### WHAT OUR MEMBERS SAY

Results from the Institute's member survey show that housing affordability ranked second among the top five issues for the profession for issues rated as 'absolutely critical', it ranked top when 'quite important' or 'absolutely critical' ratings are combined.



#### The Institute calls for the next Australian Government to:

Establish a bi-partisan National Housing Strategy that will:

- Appoint a Minister for Housing to Cabinet to recognise this as an ongoing core government priority.
- Recognise 'adequate housing' as a basic human right<sup>1</sup> and establish a legislative framework to support this recognition.
- Centralise and publish data on all housing supply and consequently, set minimum targets for supply for social and affordable housing, including the eradication of waitlists.
- Establish a national minimum standard for the implementation of inclusionary zoning in collaboration with State governments and provide incentives for State governments to implement that standard.

<sup>&</sup>lt;sup>1</sup> UN Habitat III Issues Papers, No.20 - Housing, UN 2015

- Set appropriate standards to elevate housing quality, particularly in remote and regional areas, ensuring housing is fit for purpose, accessible and responsive to community and resident needs. This includes long-term maintenance programs.
- Significantly increase funding for social housing dwellings and additionally significantly increase co-designed new social housing residences for First Nations peoples to address the chronic underfunding and undersupply of housing for Australia's indigenous peoples.
- Ensure that due diligence is undertaken to ensure the protection of cultural materials and sacred sites when opening up greenfield sites for development.
- Address the supply of social housing as a long-term commitment rather than short term or one-off initiatives.

#### Why is the Institute calling for this?

Housing Affordability has been rated as an absolutely critical issue by our members.

Rates of housing stress and unaffordability in Australia today are well-known and documented. Numerous inquiries have identified the key issues. Problems are not just about the numbers of dwellings but dwellings that are overcrowded, costly to run due to low energy efficiency, unresponsive to the needs of people with various disabilities, and not co-designed with residents or communities to create positive and inclusive communities.

It is estimated that one in five First Nations households living in dwellings that do not meet an acceptable standard, and one in 28 are homeless<sup>2</sup>.

The Institute strongly believes it is only when a bi-partisan commitment is made, that real progress on critical problems can begin.

The next Australian government must provide leadership in this important area by working constructively across all parties to implement a National Housing Strategy. This will elevate housing affordability to the level of priority required to effectively address the inequity experienced by Australians every day as a consequence of the current and ongoing housing crisis.

#### DETAILED CONSIDERATION.

The Institute calls for the next Australian Government to establish a bi-partisan 30year National Housing Strategy that will:

• Appoint a Minister for Housing to Cabinet to recognise this as an ongoing core government priority.

The Institute calls for a Minister for Housing to be appointed and elevated to Cabinet. It is critical that the Minister for Housing is at the table as one of the leading policy makers reporting directly to the Prime Minister. The UNSW City Futures Research Centre clearly identifies the problem:

Australian housing and homelessness policy lacks coherence and co-ordination. There is no national strategy and state/territory-level strategies vary in form and commitment.

 $<sup>^2\</sup> https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/national-aboriginal-and-torres-strait-islander-health-survey/latest-release$ 

Important institutions, particularly federal financial institutions that profoundly impact the housing system, stand outside housing policy.<sup>3</sup>

This federal Minister for Housing as the custodian of our recommended 30-year National Housing Strategy must, in the spirit of data-sharing and the synchronization of strategy, convene regular meetings with all eight State and Territory Housing Ministers. It is vital these outcomes are also shared with both federal and state shadow ministries.

We espouse a model be installed with a framework mirroring that of the NDIA:

The National Disability Insurance Scheme was established under the <u>National Disability</u> <u>Insurance Scheme Act 2013 (NDIS Act)<sup>4</sup></u>.

The national scheme has funding and governance shared among all governments. All Australian governments are involved in decisions relating to the scheme's policy, funding and governance.

- The <u>Commonwealth Minister</u> is responsible for administering the NDIS Act, and exercises statutory powers with the agreement of states and territories, including a power to make the NDIS Rules and direct the NDIA.
- The Standing Council on Disability Reform is the National Federation Reform Council (formerly the Council of Australian Governments (COAG)).
- The Council's <u>Disability Reform Ministers' meeting</u> is the decision-maker on NDIS policy issues. It's made up of Ministers responsible for disability from the Commonwealth, states and territories.
- The National Disability Insurance Agency (NDIA) administers the scheme. It is governed by a Board.
- The NDIA Board is advised by the <u>Independent Advisory Council</u>.
- The NDIA holds all funds contributed by the Commonwealth, states and territories in a single pool, manages scheme funds, administers access to the scheme and approves the payment of individualised support packages.
- Recognise 'adequate housing' as a basic human right and establish a legislative framework to support this recognition.
- Address the supply of social housing as a long-term commitment rather than short term or one-off initiatives.

Every person has the right to an adequate standard of living, which includes the right to adequate housing (ICESCR, article 11).<sup>5</sup>

<sup>&</sup>lt;sup>3</sup> (https://cityfutures.ada.unsw.edu.au/research/projects/towards-australian-housing-and-homelessness-strategyunderstanding-national-approaches-contemporary-policy/)

<sup>&</sup>lt;sup>4</sup>https://www.ndis.gov.au/aboutus/governance#:~:text=The%20National%20Disability%20Insurance%20Agency,by% 20the%20Independent%20Advisory%20Council%20

<sup>&</sup>lt;sup>5</sup>The Australian Government is a signed party to the International Covenant on Economic, Social and Cultural Rights (ICESCR) <u>https://humanrights.gov.au/our-work/rights-and-freedoms/projects/housing-homelessness-and-human-</u>

When we start with recognition of housing as a basic human right, we frame policy in a different way. We begin to see housing as a form of fundamental infrastructure which must be provided and comprehensively integrated long-term with existing systems and services. Much has been documented regarding the outcomes when we do not view housing in this way – the evidence is clear. There are direct economic benefits to sectors such as health care when people are adequately housed.

Improved housing conditions can save lives, prevent disease, increase quality of life, reduce poverty, and help mitigate climate change. Housing is becoming increasingly important to health in light of urban growth, ageing populations and climate change.<sup>6</sup>

• Centralise and publish data on all housing supply and consequently, set minimum targets for supply for social and affordable housing, including the eradication of waitlists.

Reliable, current data is a foundation for good policy. A National Housing Strategy, through working with States in a bi-partisan manner, must be a conduit for accurate data. Such data enables targets to be set with certainty, and outcomes tracked against these targets on a State-by-State basis.

The NHFIC State of the Nations Housing Report<sup>7</sup> provided some sound insights, however, as is evident below, a concerted effort is required to ensure more quality data is made available for analysis and planning. A National Housing Strategy would provide a platform for capturing data from all States and Territories to inform targeted policy.

	Stock and recent acitivity			Future Pipeline		
State	Greenfield	Small scale infill	Major infill	State	Greenfield	Major infill
NSW						
Vic						
Qld						
WA						
SA						
Tas						
NT						
ACT						

Table 1: Data quality and availability

Source: SGS Economics. 🔲 = data available and good quality/coverage. 🔲 = data available, poorer quality/coverage. 🔲 = no data available. The assessment has been done only where ABS data is available.

• Establish a national minimum standard for the implementation of inclusionary zoning in collaboration with State governments and provide incentives for State governments to implement that standard.

rights; https://humanrights.gov.au/our-work/commission-general/international-covenant-economic-social-andcultural-rights-human-rights and https://www.dfat.gov.au/about-us/publications/Pages/reporting-under-theinternational-covenant-on-economic-social-and-cultural-rights

<sup>&</sup>lt;sup>6</sup> <u>https://www.who.int/publications/i/item/9789241550376</u>

<sup>&</sup>lt;sup>7</sup> https://www.nhfic.gov.au/media/1581/nhfic-state-of-the-nations-housing-report-2020.pdf

National consistency for the implementation of inclusionary zoning such as a 30% affordable housing mandate will ensure a steady supply of this much-needed housing into the market. The Institute calls on the Federal government to provide incentives to all State and Territory governments to secure this pathway to affordable housing. Our proposed National Housing Strategy will provide the data to specifically set inclusionary zoning targets State-by-State with full transparency. See the current inconsistency across the country<sup>8</sup> below:

State/ Territory	Inclusionary Zoning	Density bonus/planning concessions/negotiated agreements	Govt. land able to support affordable housing schemes*
ACT	15-25% target, new land release	Yes, applying to affordable home ownership	Yes
NSW	In designated parts of inner Sydney	Statewide policy, to encourage affordable rental housing	On ad hoc basis
NT	No	Smaller lot sizes in Multiple Dwelling Residential zones	Yes
QLD	No	Small lots able to support more diverse / affordable housing	Limited
		supply	
SA	15% target for residential zones (applied on rezoning)	Incentives and concessions to support achievement of target	Yes
TAS			Limited
VIC	Pilot to be introduced	Negotiated agreements used to deliver affordable housing in some areas of inner Melbourne	Limited
WA	No	Local authorities enabled to introduce planning concessions and incentives; for example, Density Bonus included in	Yes
		Fremantle Planning Scheme (2017)	

Gurran et al. (2018)<sup>5</sup> have looked at the range of planning instruments used across Australia to prepare the below table of the various jurisdictional differences:<sup>6</sup>

• Set appropriate standards to elevate housing quality, particularly in remote and regional areas, ensuring housing is fit for purpose, accessible and responsive to community and resident needs. This includes long-term maintenance programs.

Common misconceptions in terms of housing failure and maintenance must be addressed, and policy formed through accurate data and collaboration with First Nations peoples. Housing for Health research<sup>9</sup> clearly identifies the importance of

<sup>&</sup>lt;sup>8</sup> <u>http://shelter.org.au/site/wp-content/uploads/190325-Inclusionary-Zoning-Report-V6-Final.pdf</u>

<sup>&</sup>lt;sup>9</sup> https://www.housingforhealth.com/tenant-damage-is-not-the-problem/

reliable maintenance, and the outcomes when it is not addressed. A National Housing Strategy would provide a mechanism for tracking housing maintenance programs and will consequently deliver greater value for input over the life of the housing.

When the reasons for housing failure were recorded for 250,000 + items fixed in over 7,500 houses tested across Australia since 1999, the data paints a stark picture:

**70%** of the work needed was due to **lack of routine maintenance** to fix the things that fail in all houses due to age and use.

**21%** of the work needed was due to **poor initial construction** to fix those things designed and built upside down and back to front.

And only **9%** of the work needed was **due to damage, vandalism, misuse or overuse by tenant**s. Whilst damage should not be excused, many of the houses tested have high levels of crowding due to lack of housing.

Not only are tenants not part of the problem, they are a significant part of the solution.

• Significantly increase funding for social housing dwellings and additionally significantly increase co-designed new social housing residences for First Nations peoples to address the chronic underfunding and undersupply of housing for Australia's indigenous peoples.

There has been a well-documented under supply of social housing dwellings across Australia for some time. The map<sup>10</sup> below demonstrates the scale of the problem, and also highlights specific areas of great need. The Northern Territory in its entirety is one such area which needs a radical change of policy to begin to make up this shortfall.

The Institute calls on the federal government to invest significant resources, including direct funding, into a National Housing Strategy, ensuring that with the support and co-operation of all States and Territories, this shortfall can be rectified.

Specifically in areas such as the Northern Territory, where identified need is greatest, and where a larger proportion of new social housing is required for First Nations peoples, we ask the federal government to work closely with First Nations peoples in a process of co-design to ensure housing is fit for purpose and addresses need when and where it is required.

<sup>&</sup>lt;sup>10</sup> https://cityfutures.be.unsw.edu.au > documents, Estimating need and costs of social and affordable housing



• Ensure that due diligence is undertaken to ensure the protection of cultural materials and sacred sites when opening up greenfield sites for development.

Where greenfield sites are to be developed for housing supply, it is imperative that the federal government shows leadership in this area through active engagement and listening to local communities to ensure cultural materials and sacred sites are protected and maintained for the future.

As part of a National Housing Strategy, recognition must be made of areas where legislation requires further strengthening to ensure cultural materials and sacred sites are not at risk through future development for housing supply. The *Aboriginal Land Rights (Northern Territory) Act 1976* goes some way towards this, but recent events, particularly the destruction of 46,000 year old caves at the Juukan Gorge in the Pilbara region of Western Australia have highlighted the need for legislation to be strengthened. The Central Land Council recognises this in their statement below:

The CLC recognises that there is need for other legislation to give traditional owners protection on land where free, prior and informed consent to development is not afforded, including on land subject to native title where there are less rights than those under ALRA. The CLC recommends improvements to the ATSIHP Act so that it can be an effective measure of last resort for Indigenous people throughout Australia, and can set minimum standards for State and Territory legislation.<sup>11</sup>

https://www.clc.org.au/submissions-reports/

\*\* First Nations group and NT Chapter to review this section

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#### The Institute's six priorities for the next Australian Government

- 1. Address inaction on climate change
- 2. Fix the supply of affordable and social housing
- 3. Become a leader for national design initiatives
- 4. Build confidence in and for the Australian construction industry
- 5. Address gender diversity and inequity in Australia's construction industry
- 6. Introduce greater integrity into government decision making

<sup>&</sup>lt;sup>11</sup> <u>https://www.clc.org.au/submissions-reports/</u>