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**Public Accounts Committee**

**Level 2, 2 Parliament Place  
West Perth WA 6005**

[lapac@parliament.wa.gov.au](mailto:lapac@parliament.wa.gov.au)

Dear Public Accounts Committee,

## **RE: Inquiry into Land Rent and Similar Housing Schemes in Western Australia**

### **Executive Summary**

The Australian Institute of Architects (the Institute) welcomes the opportunity to provide a submission to the Public Accounts Committee inquiry into the feasibility of government land rent and similar housing schemes in Western Australia.

Western Australia is in the grip of a severe housing affordability crisis. More than 210,000 WA households now consider their housing costs unaffordable, a figure that has risen 91 per cent since 2022, while median Perth rents have increased 76 per cent since 2020 to reach \$740 per week.<sup>1</sup> Against this backdrop, the Institute supports the strategic use of government land to improve housing outcomes and acknowledges that land rent and similar tenure models may assist some households into home ownership that would otherwise remain beyond reach.

Western Australia already has direct experience with alternative land-based housing delivery, including through the “*My Home*” program initiated by Perth architect Michelle Blakeley.<sup>2</sup> While “*My Home*” targets homelessness and sits outside the scope of this inquiry, its design and tenure model offers practical lessons about the **temporary use of public land, clear risk allocation, relocatable dwellings, and the importance of certainty for occupants**.

The Institute also draws on the Australian Capital Territory’s Land Rent Scheme as Australia’s most developed statutory land rent model.<sup>3 4</sup> Taken together, these

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<sup>1</sup> Bankwest Curtin Economics Centre (2025) Housing Affordability in Western Australia 2025: A long way from home. Curtin University. <https://bcec.edu.au/publications/housing-affordability-in-western-australia-2025/>

<sup>2</sup> “My Home” Housing (2024) Program overview and model description. “My Home” Housing WA. <https://myhomehousing.org.au/>

<sup>3</sup> ACT Revenue Office (2025) Land Rent Scheme. ACT Government. <https://www.revenue.act.gov.au/home-buyer-assistance/land-rent-scheme>

<sup>4</sup> Land Rent Act 2008 (ACT). AustLII consolidated legislation. [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

experiences demonstrate that land rent schemes are feasible only where legislative certainty, durable tenure protections, clear end-of-lease outcomes, and lender confidence are present. Without these safeguards, such schemes risk limited uptake and diminished public value.

## 1. Scope and Context of the Inquiry

This submission addresses the Committee's Terms of Reference, which focus on land rent and similar schemes intended to promote private home ownership, excluding social and community housing.

The Institute notes that national housing policy recognises that ownership pathways will not suit all households. The National Housing Supply and Affordability Council has documented that the share of median household income required to service a new mortgage reached 50 per cent in late 2024, and the average time needed to save a deposit has risen to a near-record 10.6 years.<sup>5</sup> These conditions underscore both the urgency of innovative tenure policy and the importance of assessing any scheme against the full range of instruments available to government.

## 2. Land Rent and Land-Lease Models in Western Australia

(TOR (a), (f))

Land rent schemes separate land ownership from dwelling ownership, allowing households to lease government-owned land while owning the dwelling built on it, thereby reducing the upfront capital required to enter home ownership.<sup>6</sup> The ACT Land Rent Scheme, established under the *Land Rent Act 2008*, is Australia's most mature statutory example of this model, having operated for over fifteen years.<sup>7</sup>

Western Australia already uses land-lease models through Crown leases and structured partnerships. The "My Home" program offers a well-documented local example: government land leased at a peppercorn rate, with 18 modular dwellings for homeless women completed in North Fremantle within 22-days to lock-up using prefabricated timber panel construction and 12 similarly construction homes in Albany.<sup>8 9</sup>

Michelle Blakeley's experience with "My Home" highlights several principles directly relevant to this inquiry:<sup>10</sup>

- **Temporary use of public land** can unlock sites not otherwise available for housing without permanently alienating public assets.
- **Clear end-of-lease provisions**, including the ability to relocate dwellings, are critical to occupant certainty and builder participation.

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<sup>5</sup> National Housing Supply and Affordability Council (2025) State of the Housing System 2025. Commonwealth of Australia. <https://nhsac.gov.au/reports-and-submissions/state-housing-system-2025>

<sup>6</sup> ACT Revenue Office (2025) Land Rent Scheme. ACT Government. <https://www.revenue.act.gov.au/home-buyer-assistance/land-rent-scheme>

<sup>7</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

<sup>8</sup> "My Home" Housing (2024) <https://myhomehousing.org.au/>

<sup>9</sup> Built Offsite (2023) Perth Architect Michelle Blakeley's modular home project addressing the homeless crisis. <https://builtoffsite.com.au/news/perth-architect-michelle-blakeleys-modular-home-project-addressing-the-homeless-crisis/>

<sup>10</sup> "My Home" Housing (2024) <https://myhomehousing.org.au/>

- **Site risk should be retained by the landowner**, not transferred to households with limited capacity to absorb it.
- **Design quality and dignity** directly affect long-term affordability outcomes, regardless of tenure model: well-designed homes cost far less to adapt, maintain, and retrofit over time than homes built to minimum standards. Integrating universal design and climate-resilient features at construction stage can cost up to 22 times less than retrofitting later, reducing lifetime expenses for residents and extending the useful life of the dwelling.<sup>11 12</sup>

These principles apply with equal force to land rent schemes for owner-occupiers, where lease durations may span decades rather than years to provide secure and stable housing options.

### 3. Framework, Settings and Administration

*(TOR (a))*

Land rent schemes typically offer several structural advantages:

- reduced upfront entry costs, with households financing only the dwelling rather than the land.<sup>13</sup>
- continued public ownership of land and the capacity to retain long-term value uplift.<sup>14</sup>
- activation of underutilised government land holdings; and
- ongoing revenue through land rent to fund public purposes.

However, affordability outcomes are highly sensitive to indexation settings. Under the ACT scheme, land rent is calculated as a percentage of the unimproved land value, so rising land prices translate directly into rising holding costs.<sup>15</sup> The National Housing Supply and Affordability Council confirmed that national dwelling prices rose a further 4.9 per cent over 2024 and have continued to increase in 2025.<sup>16</sup> Households who enter a land rent scheme in a period of high land values may face materially higher ongoing costs than anticipated at entry.

The Institute considers that affordability must be assessed **over the full life of occupancy**, not only at the point of entry. In this respect, land rent schemes share some structural characteristics with private rental, the occupant carries dwelling ownership but not land equity, and this distinction should be made transparent to prospective participants.

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<sup>11</sup> Shelter WA (2021) Housing Crisis in an Emergency. Shelter WA.  
<https://www.shelterwa.org.au/housing-crisis-in-an-emergency/>

<sup>12</sup> Liveable Housing Australia (2017) Livable Housing Design Guidelines.  
<https://universaldesignaustralia.net.au/wp-content/uploads/2017/08/lhaguidlineseditionno4-2017.pdf>

<sup>13</sup> ACT Revenue Office (2025) Land Rent Scheme. ACT Government.  
<https://www.revenue.act.gov.au/home-buyer-assistance/land-rent-scheme>

<sup>14</sup> National Housing Supply and Affordability Council (2025) State of the Housing System 2025. Commonwealth of Australia. <https://nhsac.gov.au/reports-and-submissions/state-housing-system-2025>

<sup>15</sup> ACT Revenue Office (2025) <https://www.revenue.act.gov.au/home-buyer-assistance/land-rent-scheme>

<sup>16</sup> National Housing Supply and Affordability Council (2025) <https://nhsac.gov.au/reports-and-submissions/state-housing-system-2025>

#### 4. Availability of State Land and Pilot Considerations

(TOR (b))

Both land rent schemes and the “My Home” model depend on government land being made available in a transparent and strategic way. “My Home” identified significant holdings of underused WA Planning Commission land with no forward development planned for twenty or more years, demonstrating the latent potential of government land as a housing delivery instrument.<sup>17</sup>

A critical design consideration is the allocation of site risk. Under Western Australian law, the *Contaminated Sites Act 2003* places responsibility for contamination primarily on those who caused it, however it can also hold current owners and occupiers liable.<sup>18</sup> Beyond contamination, climate hazards present a further category of site risk that must be assessed before any government land is released for housing: Western Australia’s revised State Planning Policy 3.7 now requires that bushfire risk be identified and managed, or avoided entirely, as a first step in planning new development,<sup>19</sup> and flood and extreme heat exposure should similarly be assessed at the site selection stage, not left to occupants to discover after they have committed to a long-term lease. Where government retains land ownership and derives ongoing income through land rent, it is appropriate and equitable that government also retains responsibility for site contamination, climate hazard exposure, and other latent land condition risks. Transferring these liabilities to low-to-moderate income households is inconsistent with the purpose of any affordability scheme and may deter participation.

“My Home” addresses this directly: the WA Government as landowner retains all site risk, including the obligation to provide a substitute site if the land is required back.<sup>20</sup> Any land rent scheme should adopt the same principle.

#### 5. Measures to Promote Construction

(TOR (c))

Construction activity depends on builder confidence that dwellings are durable assets and that tenure arrangements are stable and enforceable.

“My Home” demonstrates that certainty of lease duration and relocation rights is critical to securing builder participation. Its modular construction approach, with 18 dwellings erected in under 22 days using prefabricated panels, illustrates the supply benefits available when clear tenure is combined with offsite construction methods.<sup>21 22</sup>

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<sup>17</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

<sup>18</sup> WA Department of Water and Environmental Regulation (2024) Contaminated Sites: Frequently Asked Questions. Government of Western Australia. <https://www.wa.gov.au/service/environment/environment-information-services/contaminated-sites-frequently-asked-questions>

<sup>19</sup> Western Australian Planning Commission (2024) State Planning Policy 3.7 Bushfire and Planning for Bushfire Guidelines. Government of Western Australia. <https://www.planning.wa.gov.au/state-planning-policy-3.7-bushfire>

<sup>20</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

<sup>21</sup> Ibid.

<sup>22</sup> Built Offsite (2023) <https://builtoffsite.com.au/news/perth-architect-michelle-blakeleys-modular-home-project-addressing-the-homeless-crisis/>

The ACT experience confirms that where statutory tenure protections are clear and enforceable under the *Land Rent Act 2008*, private construction activity can be mobilised on government-held land.<sup>23</sup> Conversely, uncertainty around lease enforceability or end-of-lease outcomes has historically constrained market participation in land-lease models. Any WA scheme must resolve these questions through primary legislation before seeking industry engagement.

## **6. Private Sector Participation**

*(TOR (d))*

Private sector engagement is essential for any scheme to achieve scale beyond what government can deliver directly.

Land rent and land-lease models consistently face industry challenges in valuation, resale pricing, and secondary financing. These are not insurmountable, however, require deliberate legislative design. The ACT scheme addresses them through the *Land Rent Act 2008*'s provisions governing the priority of land rent charges, transfer processes, and formal mortgagee notification rights, all of which give lenders the certainty needed to participate.<sup>24</sup>

*"My Home"* addresses private sector risk differently, by avoiding debt-financed land tenure entirely and engaging industry only in construction and property management, where commercial expectations are well understood. Shelter WA has endorsed this model as a demonstration of what is achievable when design quality, construction efficiency, and public land are purposefully combined.<sup>25</sup>

## **7. Financing and the Role of Keystart**

*(TOR (e))*

Access to finance is a decisive feasibility issue for any land rent scheme targeting owner-occupiers.

The ACT scheme establishes statutory protections that give lenders clarity about their position: the *Land Rent Act 2008* allows the ACT Revenue Office to notify mortgagees of unpaid land rent charges, establishes a clear priority order for proceeds on sale, and gives mortgagees enforceable rights in the event of default.<sup>26</sup> Equivalent Western Australian legislation would be a prerequisite for mainstream lender participation in any land rent scheme.

In Western Australia, Keystart is well-positioned to play an enabling role. Since its establishment in 1989, Keystart has helped more than 122,000 Western Australians into home ownership. The Cook Government has recently expanded Keystart's offering through the \$210 million Urban Connect Shared Equity scheme, which provides 1,000 loans for new apartments and townhouses with a government equity share of up to 35 per

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<sup>23</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

<sup>24</sup> Ibid.

<sup>25</sup> Shelter WA (2021) <https://www.shelterwa.org.au/housing-crisis-in-an-emergency/>

<sup>26</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

cent,<sup>27</sup> and has reformed Keystart's product settings to allow price and income limits to be updated regularly against REIWA median data.<sup>28</sup>

The Institute cautions, however, that relying exclusively on Keystart to finance land rent scheme participants would limit scalability and exclude many households. A durable scheme requires clear statutory protections that enable mainstream lenders to participate, with Keystart serving as a complementary rather than sole lending option.

Land rent models may be particularly relevant to medium-density and apartment typologies, where land value represents a disproportionate share of purchase price and where government landholdings are often better located, with the added benefit that government-owned, well-located sites can be deployed without permanently selling off public land.

## 8. Lessons from the ACT and “My Home” Models (TOR (f))

Taken together, the ACT Land Rent Scheme and “My Home” offer five key lessons for any WA scheme:

- **Legislative certainty is essential.** The ACT scheme's durability rests on the *Land Rent Act 2008* providing enforceable, unambiguous rights for lessees, mortgagees, and government alike.<sup>29</sup> Without equivalent WA legislation, a land rent scheme will not attract lender confidence or achieve meaningful scale.
- **Affordability must be assessed over the life of occupancy, not only at entry.** The ACT scheme's indexation to unimproved land values means long-term participants face rising costs as land appreciates. Any WA scheme should model this trajectory explicitly and consider an indexation cap tied to wages or CPI rather than land values.<sup>30 31</sup>
- **End-of-lease outcomes must be clear and legally secured.** Households and lenders will not commit to long-term arrangements if the end-of-lease position is ambiguous. Whether participants can purchase the land, extend the lease, or must vacate should be defined in legislation, not left to administrative discretion.<sup>32 33</sup>
- **Risk allocation must favour participants.** Where government benefits from long-term land value uplift, it should bear the costs of site contamination liability and

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<sup>27</sup> Government of Western Australia (2025) Shared equity expansion to help Western Australians into a home. Media statement, 8 October 2025. <https://www.wa.gov.au/government/media-statements/Cook%20Labor%20Government/Shared-equity-expansion-to-help-Western-Australians-into-a-home-20251008>

<sup>28</sup> Government of Western Australia (2024) Cook Labor Government reforms Keystart loans to boost housing. Media statement, 19 December 2024. <https://www.wa.gov.au/government/media-statements/Cook%20Labor%20Government/Cook-Labor-Government-reforms-Keystart-loans-to-boost-housing-20241219>

<sup>29</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

<sup>30</sup> National Housing Supply and Affordability Council (2025) <https://nhsac.gov.au/reports-and-submissions/state-housing-system-2025>

<sup>31</sup> ACT Revenue Office (2025) Land Rent Scheme. ACT Government. <https://www.revenue.act.gov.au/home-buyer-assistance/land-rent-scheme>

<sup>32</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

<sup>33</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

future land reclamation. Transferring these risks to lower-income households undermines both the scheme's purpose and its uptake.<sup>34 35</sup>

- **Design quality determines long-term affordability, not just amenity.** The “My Home” program demonstrates that modest budgets and offsite construction can produce dignified, climate-responsive housing that communities value.<sup>36 37</sup> The Institute’s policy position is that good design, for energy performance, liveability, adaptability, and resilience, reduces lifetime costs for residents and extends dwelling life. Incorporating universal design and climate-resilient features at construction costs up to 22 times less than retrofitting later.<sup>38</sup> Any WA land rent scheme should mandate minimum design standards and involve architects to embed design quality in scheme design from the outset. The Institute stands ready to assist government in developing those standards and in ensuring that housing quality remains central to all supply conversations in Western Australia.

## 9. Conclusion

The Australian Institute of Architects supports evidence-based housing policy and recognises that land rent schemes may assist some households into home ownership in a state where more than 210,000 households now report unaffordable housing costs and the social housing waitlist has grown 38 per cent in five years.<sup>39</sup>

The evidence from the ACT Land Rent Scheme and from Western Australia’s own “My Home” program demonstrates clearly that feasibility depends on clear primary legislation, durable tenure security, equitable risk allocation, and access to finance from both public and private lenders.<sup>40 41 42</sup> None of these conditions can be assumed; all must be designed.

Without these safeguards, land rent schemes risk limited uptake and diminished public value. The Institute encourages the Committee to weigh land rent against the full range of available instruments, including Keystart’s expanding shared equity program and the flexible, low-cost deployment of underused public land already demonstrated by “My

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<sup>34</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

<sup>35</sup> WA Department of Water and Environmental Regulation (2024) <https://www.wa.gov.au/service/environment/environment-information-services/contaminated-sites-frequently-asked-questions>

<sup>36</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

<sup>37</sup> Shelter WA (2021) <https://www.shelterwa.org.au/housing-crisis-in-an-emergency/>

<sup>38</sup> Australian Institute of Architects (2026) Federal Budget Consultation Submission 2026–27. Australian Institute of Architects. <https://www.architecture.com.au/wp-content/uploads/Fed-Budget-2026-7-Submission-RAIA-300126.pdf>

<sup>39</sup> Bankwest Curtin Economics Centre (2025) <https://bcec.edu.au/publications/housing-affordability-in-western-australia-2025/>

<sup>40</sup> National Housing Supply and Affordability Council (2025) <https://nhsac.gov.au/reports-and-submissions/state-housing-system-2025>

<sup>41</sup> Land Rent Act 2008 (ACT) [https://classic.austlii.edu.au/au/legis/act/consol\\_act/lra2008101/](https://classic.austlii.edu.au/au/legis/act/consol_act/lra2008101/)

<sup>42</sup> “My Home” Housing (2024) <https://myhomehousing.org.au/>

*Home*”, and to pursue whichever combination of tools most effectively and equitably addresses Western Australia’s housing crisis.<sup>43</sup>

Quantity of supply alone will not resolve Western Australia’s housing crisis if the homes being delivered are poorly located, energy-inefficient, or difficult to adapt as household needs change. The Institute seeks ongoing involvement to assist in housing supply conversations, not as a late-stage design reviewer, but as a policy partner from the earliest stages of site selection, scheme design, and standard-setting. The profession’s expertise in design quality, climate resilience, and liveability is directly relevant to the long-term success of any land rent scheme, and the Institute is committed to working with government to ensure that affordability and quality are treated as complementary, not competing, objectives.<sup>44</sup>

Yours sincerely,



Jonathan Speer RAIA  
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Australian Institute of Architects

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<sup>43</sup> Government of Western Australia (2025) <https://www.wa.gov.au/government/media-statements/Cook%20Labor%20Government/Shared-equity-expansion-to-help-Western-Australians-into-a-home-20251008>

<sup>44</sup> Australian Institute of Architects (2026) Federal Budget Consultation Submission 2026–27. <https://www.architecture.com.au/wp-content/uploads/Fed-Budget-2026-7-Submission-RAIA-300126.pdf>