

Federal Election 2007 – Responses to CHCSA Questionnaire from Candidates

THE GREENS

Candidates who have responded:

- Graham Smith (Makin)
- Sarah Hansen-Young (Senate)
- Jodi Kirkby (Boothby)
- Andrew Jennings (Barker)

Note : *Candidates for the Greens provided similar answers to the survey. Therefore individual responses have not been collated, except where the respondent provided their own information..*

Question: What do you think are the critical housing issues facing South Australians who cannot afford to become home owners or do not wish to become home owners? What are the solutions?

The Australian Greens recognise Australia is facing a housing affordability crisis. The lack of affordable housing, particularly for people on low incomes, represents a serious market failure as well as policy failure by federal and state governments. We are also seeing increasing financial stress for many in the rental market. In fact, while private renters are only one fifth of all households, they make up over half of households in housing stress.

Furthermore, the provision of public and community housing has been declining, leaving many disadvantaged people in a desperate situation. There is now a real shortage of low-cost private and public rental housing despite increasing demand.

There are no simple answers to addressing Australia's housing crisis. Federal, State and local governments all have a role to play in the housing market, and better coordination together with a comprehensive policy approach is vital to effectively address these issues.

The Australian Greens Housing policy calls for the following action:

- Develop a National Housing Plan and appoint a Minister for Housing, Urban and Regional Development with Cabinet status
- Review all existing subsidies and incentives for housing and property investment to ensure subsidies and incentives improve access to housing for low-income households
- Ensure subsidies and concessions for the provision of private rental accommodation are targeted at affordable housing for low-income households
- Significantly increase investment in public and community housing and emergency accommodation
- Committing the required resources to address the Indigenous Housing Crisis
- Consider proposals to increase private investment in low-cost housing
- Develop national planning guidelines for new housing developments that provide for a social mix of public and private housing and incorporate principles of environmental sustainability.

Question : What role do you see for community housing in providing solutions to the housing problems of South Australians?

The Australian Greens believe community housing has an important role in providing solutions to housing problems around Australia. Community and social housing has been declining along with housing affordability. The Australian Greens support increased funding for community and social housing. The Greens believe that the housing needs of low income Australians should be met through the provision of a mix of affordable options – including community housing, public housing, shared equity with social housing providers and private rental housing. During the current ‘time of plenty’ we should be sharing our resources, addressing disadvantage and investing in the future by building up our communities and giving everyone a ‘fair go’.

Jodi Kirkby also provided the following individual response:

Personally, as a member of Shelter SA, an advocacy group for the homeless, I believe providing a home, for a person that could otherwise not afford to buy one, is one of the most important things a society can do for those less well off. A home provides security and stability, a place to sleep, access to a kitchen and hygiene facilities, access to services in the vicinity and opportunities to develop long term social relationships. A home can reduce the pressures homeless people face regarding mental and other health issues which in turn place even greater pressures on hospitals, charities and the taxpayer dollar. By providing a home you can turn around the life of an individual or family, reducing the burden on the welfare and health systems and ultimately empowering them to find work and provide better care for their children and become a positive contributor in society.

THE AUSTRALIAN LABOR PARTY

Candidates who have responded:

- Kate Ellis (Adelaide)
- Steve Georganas (Hindmarsh)
- Nick Champion (Wakefield)
- Senator Dana Wortley
- Senator Anne McEwen

Note : *Candidates for Labor provided similar answers to the survey. Therefore individual responses have not been collated, except where the respondent provided their own information..*

Question: What do you think are the critical housing issues facing South Australians who cannot afford to become home owners or do not wish to become home owners? What are the solutions?

Federal Labor understands that housing affordability has never been worse, and that many Australians have given up on the dream of home ownership.

In 1996 the average house cost about four times the average annual wage. Today the average house costs seven times the average annual wage.

The average Australian first home buyer now pays \$2600 per month to service a typical first home mortgage; they need a six figure income just to meet their mortgage repayments. Under Mr Howard’s watch, Australian families have endured nine back-to-back interest rate rises.

Rents are also increasing in many parts of Australia, making it harder to make ends meet, and almost impossible to save a deposit for a house.

More families are losing their homes; mortgage repossession's rates have doubled over the last few years.

The housing crisis needs national leadership, and we need to end the blame game. Only a Rudd Labor Government has practical long-term solutions to help improve housing affordability. So far, these measures include:

- A new Housing Affordability Fund to boost supply and save new home-buyers up to \$20,000 on a home purchase by investing in community infrastructure for new housing developments and providing local and state governments with incentives to cut charges;
- National Rental Affordability Scheme that will help create 50,000 new affordable rental properties across Australia and ease rental pressures across the country; and
- A better approach to land release with surplus Commonwealth land being freed for additional housing development and the improvement of community amenities.

In addition a Rudd Labor Government will appoint a Housing Minister to work with all three levels of government to deliver on housing affordability as well as establish a National Housing Supply Research Council, to analyse the adequacy of land supply across the nation.

Only Labor is genuine about tackling the housing affordability crisis, and only Labor has the policies that will help bring home ownership within the reach of working families.

What role do you see for community housing in providing solutions to the housing problems of South Australians?

Community housing programs play an important role in helping Australians meet their housing needs outside traditional public and private housing arrangements. Some community housing programs also target particular social or ethnic groups.

Community housing provides genuine options for Australians on low incomes with little or no access to the private rental market to have secure and independent housing. In turn this brings greater security to other parts of the lives of community housing tenants.

Community housing arrangements are achieved through joint Federal and State funding, community managed and operating largely as 'not for profit'. They address the supply side of the housing affordability equation.

Community housing is one example of what can be achieved when all levels of government end the blame game and cooperate on what is a matter of importance to all Australians – safe and secure housing.

Senator Penny Wong

Dear Mr. Synnott,

Thank you for your correspondence and questionnaire concerning community housing in South Australia.

I understand Tanya Plibersek MP has responded to your questionnaire in her capacity of Shadow Minister of Human Services and Housing.

I am aware of the important support the Community Housing Council of SA provides. I can assure you that Federal Labor understands that housing affordability has never been worse and that many Australians have given up on the dream of home ownership.

The housing crisis needs national leadership, and we need to end the blame game. Only a Rudd Labor Government has practical long term solutions to help improve housing affordability. So far these measures include:

- *A Place to Call Home* Labor's five year plan to establish up to 600 new houses and unites across the country for families and individuals who are homeless;
- First Home Saver Accounts *to help young Australians save for their fist home through special low tax superannuation-style savings accounts;*
- *A National Rental Affordability Scheme* to provide investors tax incentives to increase the supply of new affordable rental properties across Australia, saving 50,000 low-middle incomes families 20 per cent on their rental bills; and
- A better approach to land release with all surplus Commonwealth land being freed for housing development or community infrastructure.

In addition a Rudd Labor Government will appoint a Housing Minister to work with all three levels of government to deliver on housing affordability as well as establish a National housing Supply Research Council to analyse the adequacy of land supply across the nation.

Thank you again for your correspondence, if I can be of any further assistance please do not hesitate to contact my office.

Sincerely,

Penny Wong

Shadow Minister for Public Administration and Accountability
Shadow Minister for Corporate Governance and Responsibility
Shadow Minister for Workforce Participation

Coalition – Federal Campaign Director

Dear Mr Synnott:

Thank you for providing the opportunity to outline the views of the Coalition on important housing issues in South Australia. On behalf of Coalition Members of Parliament and candidates, I am pleased to respond to your recent survey.

I believe the choice at the coming election will be the starkest for a generation and you can be assured our policies reflect both the plans and experiences of the Government, in contrast to the risk posed by Labor Party with 70 percent of its front bench drawn from trade unions.

In particular, we will be asking Australians to consider which party can best grow our economy further, creating employment and prosperity for Australians and the means by which government can invest further in areas such as health, education, the environment and assisting the disadvantaged. The Coalition's early announcement of a bold, wide-ranging plan to significantly reduce taxes for all individual taxpayers is an example of what is possible through disciplined economic management over many years.

Throughout the election campaign we will be progressively announcing further policies outlining our vision for Australia's future.

Once announced, these policies will be available at www.liberal.org.au and www.nationals.org.au.

Once again, thank you for helping us to communicate the Coalition's plans for Australia to your members.

Yours sincerely

Brian Loughnane
Federal Campaign Director

COALITION RESPONSE TO COMMUNITY HOUSING COUNCIL OF SOUTH AUSTRALIA

Home affordability

The Coalition Government is conscious of the difficulties faced by some South Australians in purchasing homes.

There is no doubt that housing prices have increased significantly in many Australian cities over recent years. These rises have occurred at a time when the Australian economy has been performing very strongly over the last ten years. The unemployment rate is at a 33 year low and more Australians than ever have a job and wages continue to grow. With so many benefiting from our strong economy, more and more Australians want to realise the great Australian dream of buying their own home.

The Coalition Government believes that Australians should be able to achieve their dream, by keeping the Australian economy strong and the unemployment rate low, so that Australians can work and save to buy their own home.

A number of recent studies both in Australian and internationally show that the biggest impact on housing affordability in recent years has been increases in the cost of land, not interest rates or building costs.

An international study by the Demographia Group in 2007 showed that 88 per cent of the increased cost of a new housing and land package in Australia between 1993 and 2006 was attributed to increases in land prices, since they continue to restrict the supply of new land development. In addition to these charges, stamp duty imposed by Labor State Governments continues to be a heavy burden on home buyers.

The Coalition Government appreciates the efforts by various local government councils to raise awareness of these issues, both at a State and Federal level and, in particular, the recognition that land release policies play a crucial role in land affordability.

For that reason, the Coalition Government has been urging State Governments to release more land for new home construction and reduce their land development charges. While State Governments have started to respond to these calls, there is much more State governments can do to make housing more affordable for first home buyers by increasing land supply and reducing taxes and charges on land development. We would greatly appreciate the support by your council and others, in this effort to encourage the Labor State Governments to change their land management policies.

For its part, the Coalition Government recently completed an audit of Commonwealth owned land that can be released for land development. The Coalition will be examining where this land can be made available for developers to assist new home buyers purchase their own home.

Housing affordability and the great Australian dream remains a high priority for the Coalition Government. We are committed to keeping the Australian economy strong, employment levels at record highs and working with State and local governments to reduce pressure on house prices.

Public Housing in South Australia

The Coalition Government is concerned that, despite investing \$465 million in South Australian housing, the public housing stock has fallen from 57,213 in 2000-01 to 50,942 in 2005-06. This is a fall of 6,271 meaning that it is even harder for South Australians to find accommodation.

To help address this problem recent policy announcements include an audit of Commonwealth land to determine whether more land can be released for development. The Government is also reviewing whether money can be paid to private and non-government organisations and local authorities in an effort to provide additional housing for people who would otherwise be seeking public housing.

Government assistance

To assist those who are unable to purchase a home the Coalition Government supports those seeking both private and public accommodation through the Commonwealth State Housing Agreement and Rent Assistance.

The Government also supports housing affordability through the maintenance of a strong economy. Over 2.2 million new jobs have been created since March 1996. The unemployment rate is a low 4.2% meaning that more people have access to the financial resources required to purchase a home.

For the 2003 Commonwealth State Housing Agreement, the Australian Government has committed around \$4.75 billion over five years to 2007-08.

The Coalition Government also provides over 1.4 million Australians with assistance in paying their rent. Over the five years from 2003 to 2008, the Coalition Government will provide around \$10.8 billion in Rent Assistance.

Future for Community housing

As part of its investigation into alternative arrangements for the provision of public and community housing the Coalition is looking at a range of alternatives involving the private sector, non government organisations and government.

We envisage partnerships between a range of participants and we are confident that community housing organisations will be able to play a key roll in any new arrangements that are adopted.