

Dissenting Report by Government Senators

1.1 The majority report of the committee contains extensive and informative discussion of Australia's housing affordability problems and the resulting issues and policy challenges faced by governments at all levels, including the Australian Government. The comprehensiveness of the evidence the report brings together reflects the efforts of participants in providing to the committee both high quality submissions and evidence at inquiry hearings. However, in the view of Coalition Senators, many of the report's recommendations do not constitute the best responses to the housing affordability challenges Australia faces, and if implemented, would be unlikely to address many of the underlying problems identified in the report.

1.2 Housing is a significant part of the Australian economy as it influences building activity and employment and provides a store of wealth for owner-occupiers and investors. Access to affordable secure housing is a vital factor for individual and family health and happiness. It also provides a platform for social connection through communities and families.

1.3 Clarification of roles and responsibilities between levels of government is needed to improve the operation of direct government housing assistance and homelessness services. The development of the Roles and Responsibilities in Housing and Homelessness Issues Paper through the Federation White Paper process is designed to progress this goal. Specific reform proposals across a range of government activities, including housing and homelessness, will be identified in the Green paper which will be released in the second half of 2015.

1.4 The key report finding (page 5) that the Australian government cannot vacate the affordable housing space or step back from its responsibilities in this area is supported. The Abbott Government is not vacating the affordable housing space or stepping back from its responsibilities. It is addressing the matter directly by supporting the Senate Inquiry and developing an Issues paper directly addressing the issues of affordable housing and homelessness in Australia.

1.5 The Federation White Paper process seeks to complement (and not duplicate) the analysis provided in a number of other reviews that more fully address broader housing affordability pressures. This Senate Inquiry into Affordable Housing in Australia has reviewed the role of all levels of government in facilitating affordable home owner and private rental accommodation, the impact of social housing on housing affordability and the role of all government levels. The outcomes from the Senate Inquiry will be considered as part of this process. However the Government has a clear approach to regulation: to reduce the regulatory burden for individuals, businesses and community organisations. Cutting existing red tape and limiting the flow of new regulation is a high priority and this has been considered whilst analysing the recommendations.

Comments on recommendations:***Response to recommendation 1***

1.6 The appointment of a Minister for Housing and Homelessness with the portfolio to be located in a central agency is not supported. The determination and allocation of its Cabinet and Ministerial responsibilities to ensure maximum effectiveness is appropriately a matter for the Government.

Response to recommendation 2

1.7 The introduction of a Ministerial Council on housing and homelessness is not supported. The majority report has not made the case that such a mechanism would be effective in progressing reforms in a timely manner, or that the additional resource costs and bureaucratic overlay are justified, and is inconsistent with the Government's red tape reduction agenda.

Response to recommendation 3

1.8 The establishment of a new statutory body is inconsistent with the Government's red tape reduction agenda, in addition the area measuring housing needs is a matter for the state and territory governments. The recommendation is not supported.

Response to recommendation 4

1.9 This recommendation is calling for the Commonwealth and states and territories to collaborate in the development of a long term plan. This recommendation is not supported as it is being addressed through the Government's Federation White Paper process.

Response to recommendation 5

1.10 Conveyancing stamp duty is a state and territory issue and therefore this recommendation is not supported.

Response to recommendation 6

1.11 The development of an additional Ministerial Council is not consistent with the Government's red tape reduction agenda and therefore not supported.

Response to recommendation 7

1.12 The recommendation calling for state and local governments to investigate the possibility of using Tax Increment Financing to fund infrastructure for new housing developments is supported.

Response to recommendation 8

1.13 As previously indicated the development of a Ministerial Council is not supported as it is inconsistent with the Government's red tape reduction agenda. The invitation to improve the consistency and timeliness of government information is being addressed through the Federation White Paper process and therefore this recommendation is not supported.

Response to recommendation 9

1.14 The recommendation is not supported as the reinstatement of the National Urban Policy and Major Cities Unit is inconsistent with the Government's red rape reduction agenda.

Response to recommendation 10

1.15 The recommendation to consider developing a long term strategy for regenerating Australia's urban centres and transport corridors is supported.

Response to recommendation 11

1.16 The recommendation that government owned land represents a potential source of land supply for affordable housing is supported.

Response to recommendation 12

1.17 The matter of using prefabricated housing and its potential role in improving housing affordability is a matter for government and a new inquiry is not needed and therefore the recommendation is not supported.

Response to recommendation 13

1.18 The recommendation is not supported as the issue will be addressed by the White Paper on Reform of Australia's Tax System.

Response to recommendation 14

1.19 This recommendation is not supported as consideration of introducing means testing to ensure that the grants are appropriately targeted is a matter for state and territory governments.

Response to recommendation 15

1.20 This recommendation is not supported as it is inconsistent with the Government's red tape reduction agenda.

Response to recommendation 16

1.21 As per recommendation 2, the recommendation to establish the Ministerial Council is not supported as it is inconsistent with the Government's red reduction tape agenda.

Response to recommendation 17

1.22 The investigation of new policy settings that will address barriers to downsizing by retirees, including schemes along the lines of Housing Help for Seniors pilot is supported.

Response to recommendation 18

1.23 As per recommendation 2, this recommendation is not supported as it is inconsistent with the Government's red tape reduction agenda.

Response to recommendation 19

1.24 This recommendation is not supported as the review of tenancies laws is a state and territory issue.

Response to recommendation 20

1.25 The investigation by states and territories of national minimum standards including security of tenure, stability and fairness of rent prices is a state and territory issue and therefore this recommendation is not supported.

Response to recommendation 21

1.26 Addressing the reluctance of tenants to exercise their right under the existing residential tenancies legislation is a state and territory and individual responsibility and therefore the recommendation is not supported.

Response to recommendation 22

1.27 Addressing the supply of affordable housing is a matter for government in conjunction with the states and territories, and therefore this recommendation is not supported.

Response to recommendation 23

1.28 The recommendation to request the Productivity Commission to undertake an inquiry into the merits of transferring public housing to the community housing sector is not supported as it will be addressed through the Federation White Paper process.

Response to recommendation 24

1.29 The recommendation to commit to increase the overall proportion of public housing as a percentage of housing stock is not supported. This will be addressed through the Federation White Paper.

Response to recommendation 25

1.30 The issue of transfer of public housing stock to the community sector will be addressed through the Federation White Paper and therefore the recommendation is not supported.

Response to recommendation 26

1.31 Coalition Senators support the recommendation to look closely at its aged care policy so that it takes account of the particular difficulties confronting older Australians in the rental market.

Response to recommendation 27

1.32 Coalition Senators support the recommendation to commit to ensuring that adequate funding be made available so that women and children escaping domestic violence are housed in secure and appropriate housing with the necessary support network that would allow them to remain in a safe environment.

Response to recommendation 28

1.33 Modifying housing to improve energy efficiency is an individual obligation and responsibility and therefore the recommendation is not supported.

Response to recommendation 29

1.34 Access to affordable housing is an Australia wide challenge. As the Closing the Gap report is working well with its current remit this recommendation is not supported.

Response to recommendation 30

1.35 This recommendation seeks to commit the Government to a number of long run spending and policy positions. Affordable Housing policy is a matter for the government and therefore the recommendation is not supported.

Response to recommendation 31

1.36 The recommendation is not supported as this is inconsistent with the Government's red tape reduction agenda.

Response to recommendation 32

1.37 The recommendation is not supported, however the Government is happy to recognise the important work of advocacy and peak organisations providing support, but recognition does not equal funding. Due to the significant Budget repair task, in the recent grant funding round, funding was not provided for advocacy groups in this area. Funding was directed to organisations delivering critical frontline services. Additionally, the Abbott Government has reversed Labor's funding cuts for homelessness and will provide \$230 million to extend the National Partnership Agreement on Homelessness for two years to 2017, with funding priority given to frontline services focusing on women and children experiencing domestic and family violence, and homeless youth under 18.

Response to recommendation 33

1.38 This recommendation is not supported and will be addressed through the Federation White Paper.

Response to recommendation 34

1.39 The recommendation to improve accountability and transparency is supported in part, however final decisions will depend on the outcome of the pending Federation White Paper process.

Response to recommendation 35

1.40 The recommendation that the Federation White Paper process consider carefully NAHA is supported.

Response to recommendation 36

1.41 The supply of new affordable housing is a matter for Government and therefore this recommendation is not supported.

Response to recommendation 37

1.42 Any proposed refinement or placement of a scheme will be a matter for Government and therefore this recommendation is not supported.

Response to recommendation 38

1.43 The resolution of any uncertainty over the effect of NRAS is a matter for the Government and therefore this recommendation is not supported.

Response to recommendation 39

1.44 The recommendation to review the eligibility criteria for CRA is not supported.

Response to recommendation 40

1.45 The recommendation that the White Paper on Federation give due consideration to the proposal for the introduction of HSB's using AHURI's research as a starting point is supported.

Senator Sean Edwards
Deputy Chair

Senator Matthew Canavan
Nationals Senator for Queensland