



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON COST OF LIVING PRESSURES IN THE ACT
Mr Johnathan Davis MLA (Chair), Dr Marisa Paterson MLA (Deputy Chair)
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Submission Cover Sheet

Inquiry into Cost of Living Pressures in the ACT

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Gordon Douglas



Dr. David Monk, Secretary
Select Committee on
G.P.O. Box 1020
Canberra City 2601

Dear Dr. Monk,

Thank you for the opportunity to write and discuss local cost of living pressures. The perspective informing my submission is of aspiring to live and work in Canberra, migrating from interstate. I have also worked multiple low-income jobs, and this experience further informs my position that people on lower incomes are badly affected by this problem, which is multifaceted, and largely beyond their ability to moderate.

I am a member of the Community & Public Service Union and the Australian Greens. My submission is as an individual; it does not represent institutional positions.

When first moving to Canberra, I was shocked but not surprised by prices being so high. It is reasonable that everyday costs like housing, petrol, and beer are priced according to average local incomes and the distances involved in transport costs.

I congratulate the A.C.T. Government on its far-sighted energy policy. My monthly energy costs are not only lower, but more stable than living in Victoria or Queensland. However, I also note that the monthly connection fee for a single gas oven in my apartment is equivalent to electricity for the whole home. I add to this insight that Canberra housing is built to different standards, as they have evolved over time. Some sort of retrofitting scheme – similar to previous work in replacing wood-chip stoves or asbestos insulation – could result in further downward pressure on consumer prices. Similarly, I observe that agricultural produce is competitively and consistently priced, regardless of whether it's sourced from a major supermarket or a local farmers' market.

My major insight into local cost of living pressures comes from recent experience in working from home (W.F.H.). My recommendation is that working remotely/working from home should be the default position for many of the knowledge-based work undertaken in the A.C.T. This recommendation is further informed by academic study of remote-working benefits, experience in previous work which can't be done outside of a worksite, and the design intention for the A.C.T. as a network of town centres.

Like many people living and working here, I came from elsewhere. Logically, moving here by myself was the quickest and easiest option. The rate of increase in prices for housing & fuel disproportionately affects people who – for whatever reason – are on low incomes and socially isolated. Even public housing i.e., designed & reserved for poor and vulnerable residents, is now being sold for upwards of \$1M, with the intention to reinvest in more public housing. (I intend to return to the topic of public housing shortly.)

I am not at liberty to choose where to live; most of us simply can't be. However, living far enough away from the workplace results in prohibitive costs. Last year, my household costs were at least half my income. With the addition of providing food and drink for more than one worksite, diesel fuel, and parking fees to outsourced car parks, W.F.H. is not only a serious cost saving, but an efficiency gain for

myself & my employer. (This is without accounting for other people with severe disabilities, who would require other costs and adjustments merely to start work.) For the current price of rent, it would make sense to reduce my spending elsewhere for as long as possible in any given day. Daytime traffic could also reduce, making work easier for delivery drivers.

Regarding transport: fossil fuels are also understandably expensive here. This is already inconvenient for office-workers like me (now) but will be much worse for people on the road all day. A well-managed transition to cleaner fuels therefore represents a real economic opportunity for the Territory. Currently though, we risk of losing this opportunity to private monopoly. Attention should be paid at the early phase of energy transition to the supply of renewable outlets. Principally this means charging stations for electric vehicles, but also hydrogen, oxygen, etc. Tenants have further disincentive to adopt renewable fuels, due to the inability and impracticality to install renewable infrastructure at rented homes.

Reflecting upon past experience as a delivery driver, what did make it bearable was the ability to minimise my housing costs by sharing with friends. I therefore suggest that future low-income – and especially publicly-funded and -owned – housing projects should incorporate design not only for families but for sharing by individuals. The insight that low-income workers are less likely to be able to work remotely should also be incorporated into the design of their housing, as distinct from middle- and higher-class housing. The Government should also consider repossessing perennially vacant multi-tenancy commercial property and rezoning it as mixed-use multi-tenancy affordable residential rental property; housing denied to people does not benefit people who need tenancy.

In summary: rising costs of living disproportionately those who are poor and on low incomes. Major contributors to cost of living are housing & transport. The latter may arguably be attributed to a sudden and temporary increase, beyond the control of the Territory Government. The former is however within control, and the Assembly surely recognises that people on low incomes need to live somewhere. Controlling housing costs should require a multifaceted response, incorporating utilisation, design, infrastructure provision, and the premise that prices must not constantly increase everywhere.



Gordon Douglas