



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMY AND GENDER AND ECONOMIC EQUALITY
Ms Leanne Castley MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Mr Johnathan Davis MLA

Submission Cover sheet

Inquiry into Housing and Rental
Affordability

Submission number: 002

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Bruce Paine – Submission to the Assembly’s Inquiry into Inquiry into Housing and Rental Affordability

Dear Committee,

Thank you for inviting Submissions.

My Submission is below, and primarily focusses on criterion (g) ‘any other related matters’.

At the outset, I must stress that I am disappointed by the narrow focus of the Committee’s Terms of Reference, which appear to deliberately avoid a focus on possible ‘supply’ side solutions to the current unaffordability of housing including rentals.

The ACT has many citizens who are or willing to be actively involved in making the ACT an even better place to live. Hence, I think the community wants a broader Inquiry into this important issue.

Having made that point, I’ll move onto supply side issues.

I consider that increasing the supply of land and/or housing (while protecting other important matters, such as public open space) is one of the changes that will most likely improve the affordability of housing including rentals.

To try to argue otherwise is to defy the basics of supply and demand. While these market forces need government to ameliorate their impact in many cases, there is little or no doubt that increasing supply would improve affordability.

Canberra’s urban area, particularly the inner suburban areas, has many areas where the current population density is low – specifically in areas currently zoned RZ1.

My suggestion is that the Assembly actively consider allowing denser development in these areas – with stronger safeguards to protect the environment and new and existing residents.

Good design and construction are feasible – as shown by some of the planned and already completed developments, including some redevelopment of public housing blocks.

Strong safeguards could include, for example:

1. a maximum plot ratio, irrespective of the size of the block;
2. only allowing single storey dwellings;
3. requiring appropriate green space on each property (including by proscribing purchasing offsets elsewhere);
4. only allowing ‘Code compliant’ developments (ie no Merit or Impact track. Furthermore, consideration could be given to removing any Exemptions from obtaining a DA).

I recognise that a key ‘loser’ from allowing redevelopment of RZ1 blocks is the Government’s revenue – essentially because the Government would get less revenue from converting open space into residential blocks.

However, I think it is beyond time that the Canberra community has a proper and deep discussion about housing and rental affordability, which should include an appropriate and transparent financial contribution to the public purse by any property owners (including the Government – via its redevelopment or sale of public housing) who choose to redevelop. Hence, I urge the Committee to take a wide view of its Terms of Reference, including the scope provided under criterion (g) for the Committee to make recommendations that would make a real improvement.

I would welcome the opportunity to discuss this Submission and broader matters with the Committee.

Regards

Bruce Paine
18 July 2022