

A HOME FOR ALL

THE GREENS' PLAN TO SOLVE VICTORIA'S PUBLIC HOUSING CRISIS



Every Victorian should have a place to call home. Yet more than 82,000 people are languishing on the public housing waiting list today. Our housing system is in crisis. The Greens will reverse years of neglect by increasing supply and building enough new dwellings to provide all those on the waiting list with a home.

Access to housing is one of our most basic human rights. It is more than simply a right to shelter – we all should have an affordable, accessible and secure place to live. The availability of appropriate housing underpins good physical and mental health and participation in our society. We need a home to raise a family, and to access local schools, childcare and health services. We need a place to live to be able to hold down a job or access education. We need a home to be part of a local community, and to participate in local events, sports and activities. Housing is not a commodity, it is a right, and it is essential for a dignified life.

For many Victorians, public housing is the only option available for secure, affordable housing. The Greens believe the government has a responsibility to provide enough high quality public and community housing to meet current need and projected demand.

In the post-war period our governments ensured an adequate supply of housing, by building tens of thousands of new homes for veterans, migrants, and working families. However, since the 1980s successive Liberal and Labor governments have lost sight of the value of public housing, and public housing has been neglected and allowed to fall into disrepair. The Greens believe housing must be a priority for government.

OUR PLAN

The Greens will provide the public housing system with its biggest investment in decades. To increase the supply of housing and meet the waiting list we will:

- **Build 40,000 new public housing dwellings including necessary refurbishment over the next six years, from 1 January 2019**
- **Stop the sell-off of public housing estates and utilise inner-city public land for additional public housing development**
- **Adopt innovative construction technologies such as pre-fabricated and modular housing, to ensure the new dwellings are built using high-quality materials and are cost-efficient, timely, sustainable and durable.**
- **Provide for different funding mechanisms including existing revenue streams and utilising record low interest rates to borrow the funds needed to build homes for all in need.**

Building 40,000 new homes will provide enough housing to meet the current waiting list, with additional supply to meet future demand. These dwellings will publicly funded and remain in public ownership and management for the public good.

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We will work closely with public housing tenants to minimise disruption and provide certainty during the building program. We know that current tenants have been left in limbo by the Labor Government's public housing renewal program, with many reporting high levels of anxiety and distress. Public housing tenants need a building renewal program that listens to their voices, involves them in the entire planning and development process and supports their needs. The Greens will plan any renewals alongside tenants and commit to providing clarity, certainty and support to current and prospective public housing tenants, and ensuring that current tenants will not be relocated against their will.

A SYSTEM IN CRISIS

Our state is booming – we have both the largest and the fastest growth rate in the country. Yet our housing system has not kept pace with the increased demand that comes with this growth.

Too many Victorians are struggling to find affordable, secure housing. Median house prices in Melbourne are around \$900,000 — a 300 per cent increase since 1995.ⁱ There has been a steady increase in homelessness in Victoria, and rough sleeping is estimated to have increased by 70 per cent in Melbourne alone.

Victorians are now under significant housing stress, and many more are depending on our public housing system to find a home. The waiting list has ballooned to 37,000 households in 2018, with 57,877 adults and 24,622 children waiting for a home today. The number of people on the waiting list increased by 1500 people in the first three months of this year alone.ⁱⁱ

Victoria's public housing stock has remained static for the last 20 years, at around 65,000 dwellings. In that time, public housing as a proportion of all housing in Victoria has steadily declined, down to 3.4% in 2011. We now have the lowest proportion of public housing in the country. Internationally, Australia also has one of the smallest public housing sectors – at just 4.4%, this is lower than Ireland (10%), France (17%) and the United Kingdom (18%).ⁱⁱⁱ

The stagnation of public housing numbers means that our existing stock is aging. The average age of public housing in Victoria is 35 years, and 60% of our stock is over 30 years old.^{iv} These older units require more and more maintenance to remain safe and habitable, which has doubled the maintenance expenditure in the last decade.

The Andrews Government has promoted its public housing renewal program as the only way to resolve this crisis. But Labor's model is centred on selling large parts of our public housing estates to private developers, and replacing estates with 100% public housing with around 70% private dwellings and just 30% public units. Many of our public housing estates are located in inner-metropolitan Melbourne, with excellent transport links and local services and amenities. Once sold, this land will be lost to the state, and can only be regained at significant cost to the government.

Our plan will see public housing built in areas with good services, and access to education and jobs. To do this we will halt public land sales that could be used for public housing. We will also revise the existing poor inclusionary zoning requirements to ensure public housing is built in new developments or developers pay an appropriate levy to fund land purchases for public housing.

The current state of our housing system is unacceptable, especially from a government that boasts of surpluses and billions in infrastructure spending for roads and tollways. We need an urgent intervention into our housing system.

FIXING THE WHOLE SYSTEM

Public housing is just one aspect of the housing continuum. Victoria's entire housing system is in crisis. Too many Victorians are struggling to find secure, affordable, and safe housing. While we need to repair the broken parts of our housing system, to solve the crisis also we need to address the system as a whole.

The Greens are developing plans to address all parts of the housing continuum, including address the immediate needs

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of people facing homelessness, renter's rights and housing affordability.

In particular, we acknowledge the important role of community housing in addressing the long term housing crisis in Victoria. We will be announcing policies to support the growth of the community housing sector in the lead up to the election.

FINANCIAL IMPLICATIONS

The Greens will have a fully costed election platform. Our policies will be submitted to the Parliamentary Budget Office for costing.

We know from government figures, one new public housing unit costs around \$300,000 to \$350,000 to build.^v We estimate around \$12 - \$15 billion will be required to fund the construction of the new dwellings. Additional ongoing funds for administration and maintenance will also be required.

The State Government is running surpluses in the billions, partly due to record revenue from property taxes. We would also look to fund the construction of the new dwellings via borrowings. There has never been a better time for the government to borrow funds to build infrastructure. The current government itself admits it is a good time to borrow and spend on infrastructure. It is borrowing to build roads. We believe a better investment is public housing.

Furthermore, the federal government also bears responsibility for ensuring Australians have a roof over their heads and federal funds would be sought as part of implementing the policy. The Australian Greens have a costed policy to build 500 000 new dwellings over 15 years. Victoria's share would be around 10 000 homes per year.

All rental proceeds from public housing will be invested back into the system, for administration, maintenance and to fund the construction of more units over time. By investing in sustainable, quality materials for construction, we will significantly reduce maintenance costs, and these savings will also be reinvested back into the housing system.

While embarking on a construction project on this scale requires a significant investment, it also provides a much-needed boost to our local economy. Our public housing project will support tens of thousands of jobs across the manufacturing, construction, engineering and other sectors. We believe that by investing in large-scale public infrastructure projects, we can revitalise our manufacturing industry for the 21st century, spurring innovation and jobs in advanced housing design, research and development of materials, and construction.

The benefits of a proper functioning public housing system are in many ways immeasurable. They include better physical and mental health outcomes, the ability for more people to access education and jobs, and to be part of a community. Our whole society benefits when a government acts in the public good.

i A Guide to Property Values, Annual data and analysis from Valuer-General Victoria 2016.

ii Final Report, Inquiry into the Public Housing Renewal Program, Legal and Social Issues Committee, June 2018.

<https://www.parliament.vic.gov.au/lsic/article/3846>

iii What is the right level of social housing for Australia? AHURI, April 2017. <https://www.ahuri.edu.au/policy/ahuri-briefs/what-is-the-right-level-of-social-housing>

iv Managing Victoria's Public Housing, Victorian Auditor-General's Report, June 2017.

v Presentation by Nick Foa, Director of Housing, to the Legal and Social Issues Committee Inquiry, 15 February 2018.

<https://www.parliament.vic.gov.au/lsic/article/3846>