

# National Cabinet's housing plan ambitious but lacking detail

By Belinda Jones

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***While Labor is striving to fix the national housing crisis, its latest housing plan is a strategy that feels underdeveloped, writes [Belinda Jones](#).***

THIS WEEK, [National Cabinet](#) met in Brisbane ahead of the [Labor National Conference](#) with a focus on the housing crisis crippling many Australian families.

The outcome was less than impressive with no immediate relief on offer for the thousands of Australians experiencing homelessness but a promise of a [“Social Housing Accelerator”](#) and minor adjustments for renters that don't offer any real hope of any substantive change to the current power imbalance between landlords and their tenants.

Effectively, in broad terms, National Cabinet's decisions this week means the Albanese Government has boosted its original housing

target to [1.2 million homes](#) in five years and promised lots of money for 'essential services, amenities to support new housing development, or building planning capability'.

That equates to about 657 homes per day, every day from July 2024 until July 2029, which is a big call from Albanese and the predominately Labor First Ministers.

It certainly got the headlines; the ABC's David Speers [wrote](#):

*All levels of government are feeling the heat over housing.*

*A lack of supply, growing demand, declining approvals, soaring construction costs, building firms going bust and spiralling rents has created a perfect storm.*

Speers forgot to mention his “perfect storm” must also factor in the changing labour landscape in Australia of increased casualisation of the workforce and the increase of gig economy workers contributing to the housing crisis which destabilises the housing market and excludes many Australians from meeting the threshold to rent or buy their own homes.

Around one quarter of Australian workers are casual workers [according to](#) the Department

of Employment and Workplace Relations. The [Actuaries Institute](#) reported that the gig economy saw a nine-fold increase from 2015 to 2020; the COVID-19 pandemic saw that figure rise again.

[ACOSS's 2022 Poverty in Australia Snapshot](#) found that there are 3.3 million people (13.4%) living below the poverty line'.

These problems haven't just happened in the last 12-18 months since the Federal Labor Party won majority government but are a consequence of years of neglect, political incompetence and in-fighting at all three levels of government.

Of all people, Prime Minister [Anthony Albanese](#) must understand this issue better than most given [he grew up](#) in poverty and in a housing commission home.

Albanese [said](#) at the Labor Conference that his government was delivering "the biggest investment in social housing since Kevin Rudd" though it is pertinent to remember that the [Grattan Institute](#) was scathing in its [criticism](#) of Rudd's housing scheme, the National Rental Affordability Scheme ([NRAS](#)):

*'A housing scheme devised by former Prime Minister Kevin Rudd provided developers with \$1 billion of windfall gains and failed to help low-income renters.'*

Grattan researchers estimated that NRAS 'failed to boost supply and was little more than a developer handout'. There were no details from Albanese at either National Cabinet or the Labor Conference on how to avoid the problems encountered by NRAS to ensure the housing supply was boosted for the most vulnerable.

Another significant issue to factor into the predicted success or failure of National Cabinet's ambitious housing plans is politics.

Currently, National Cabinet is an exercise in Kumbaya politics for all intents and purposes, when all the mainland states are currently held by Labor governments and the Federal Government is Labor. That is subject to change at any given time and Labor's political adversaries would seek to gain political capital by deliberately disrupting the ambitious plans made this week in National Cabinet.

Another important factor is disagreements between state and local governments who have the power to derail National Cabinet's decisions, given they both share the role of arbiters of local planning and housing decisions and are notoriously [known for](#) incestuous relationships with developers.

So many variables from the practical to the political could derail National Cabinet's ambitious housing plans, which all seem centred around building new properties on unimproved land. There has been little talk of changing existing structures, such as tax reform, to increase housing supply. Or improving large, single-dwelling tenements held by wealthy landowners in prime urban areas to medium-density properties that would better serve the Australian people.

The [2021 Census](#) uncovered the shocking statistic that over 1 million homes in Australia were unoccupied on census night. There are various reasons for the Australian Bureau of Statistics ([ABS](#)) recording these properties as 'unoccupied'. It does not necessarily mean they are [abandoned or empty](#) but does offer an avenue of investigation for National Cabinet that appears to have been neglected.

Many property owners list their properties on the short-stay accommodation market and enjoy the benefits of tax incentives originally designed for investors adding supply to the long-term rental market. Again, this issue was not canvassed by National Cabinet as part of their housing policy direction.

Given this complex housing problem has been festering for years, coupled with the degradation of labour force pay and conditions, the alarm bells are ringing on National Cabinet's ambitious plan.

Add to that the lack of federal tax reform to rein in the short-stay accommodation market and the political instability of three tiers of government working together over a five-year period then the grand plans of National Cabinet appear less than optimistic to the average punter without further consultation and policy development with locked-in guarantees of supply.

The announcement did make for a very good photo opportunity though.

And, for those struggling Australians who have been neglected for the past decade or so, often survivors of natural disasters, currently homeless or sleeping rough or experiencing housing stress, failure of this housing plan will not be received well.

***You can follow IA columnist [Belinda Jones](#) on Twitter [@belindajones68](#).***