

## **No policy tips from housing inquiry, AAP, 16/12/2016**

Reports that Labor and the Greens attacked the Report by the House of Representatives Standing Committee on Economics on its inquiry into home ownership because the Committee failed to recommend changes things like negative gearing.

The Greens and Labor claimed the Report fails to acknowledge there is a problem for some of the population with housing affordability. But the Report does acknowledge the issues, recognises and discusses the points of view from the different sides of the various debates and does make some conclusions – just not what Labor and the Greens wanted to hear.

The Reports also concludes that many of the issues contributing to the housing affordability challenge (and therefore the jurisdictional responsibility to implement solutions) rest with state and territory governments. Two examples include the

## **Apartments 'dog box' fix from state government doesn't go far enough: architects, *The Age*, 19/12/2016**

Reports that developers have welcomed the Victorian Government's decision not compel construction of apartments with a minimum floor size instead mandating that apartment bedrooms have a minimum floor size between 9 and 10.4 square metres.

Master Builders Victoria's CEO Radley de Silva is quoted as saying that the changes could make apartments more expensive.

# No policy tips from housing inquiry

The Turnbull government has been accused of having no plan to help Australia's first home buyers after coalition MPs led a fruitless 20-month inquiry into housing.

Parliament's lower house economics committee, stacked with government members, made no recommendations in a 55-page report released on Friday.

That's despite receiving 65 submissions, hearing evidence from 68 witnesses and holding seven public hearings since the inquiry was launched in April 2015 - interrupted by this year's federal election.

It found that many parts of Australia, other than Sydney and Melbourne, have a relatively weak housing market and that policy should focus primarily on boosting supply in under-supplied markets.

It ruled out support for any tax rises for property investors, including Labor's proposal to limit negative gearing and discounts on capital gains tax.

"Increasing rates of tax on property investment would have a negative impact on the economy," Liberal chair David Coleman said.

He noted the banking watchdog APRA had already moved to limit the rate of borrowing by investors and had to ability to take further action if needed.

But Labor labelled it incredible the report into home ownership contained no policy suggestions.

"The government's members report perfectly reflects the Turnbull government's economic plan - there isn't one," shadow treasurer Chris Bowen said in a statement.

In a dissenting report, Labor again pushed for negative gearing to be limited to new housing from July 1 next year, and that the capital gains discount for all properties bought after that date be halved from 50 to 25 per cent.

The opposition claims the policy will initiate a boost in new housing, provide young families with the chance to find a home and take pressure of inner-city housing markets that are predominantly made up of existing dwellings.

The Greens propose phasing out the discount on capital gains tax entirely by 2020 and the removal of negative gearing for all non-business assets bought on or after July 1 this year.

"Young people are getting screwed," Greens MP Adam Bandt said in a statement.

"The government refuses to admit there's a problem, let alone take any steps to make housing more affordable."

# **Apartments 'dog box' fix from state government doesn't go far enough: architects**

New laws on Melbourne's apartments that set minimum bedroom and living room sizes are too weak and won't protect future generations, architects say.

But the laws, announced by Planning Minister Richard Wynne, have been welcomed by planners, and the development and property industry.

Developers had feared being compelled to build apartments with a minimum floor size, as has been the law in Sydney for more than a decade.

This would have dramatically cut profitability.

But Mr Wynne has dumped minimum floor sizes across entire apartments – instead specifying that bedrooms must have a minimum floor size of between nine and 10.4 square metres.

Some of the city's newest apartments have bedrooms smaller than this, making it hard to fit even a double bed comfortably.

Living rooms must also be at least 10 square metres for a small unit, and 12 square metres for larger apartments. And balconies and small gardens for ground-floor apartments should also be built as part of new developments.

Architects have been disappointed by the changes, which one said were merely "benign".

The apartment standards had done little to ensure there would be adequate setbacks between new apartment buildings, they said.

Another said the government's new minimum ceiling height of 2.7 metres was little different to what was being built now.

The news follows warnings that Victoria is facing a crisis of faulty, dangerous and leaking buildings, with shoddy materials and poor workmanship now meaning many owners will outlive their apartments and houses.

The president of the Victorian chapter of the Australian Institute of Architects, Vanessa Bird, said the new size rules had not gone far enough to ensure quality apartments.

"The city we build today is the city our children and grandchildren have to live with," she said.

The institute welcomed the rules on room size, storage – apartments must now have storage space of at least eight cubic metres – noise and ventilation.

But Ms Bird said they did not adequately "protect the public interest".

The institute had wanted the rules to ensure that architects were needed to design apartments.

Mr Wynne though defended the new standards, saying they struck a balance, "putting a stop to windowless, airless boxes while keeping apartment living affordable".

"We've now got a set of rules that outline specifics, such as ceiling heights and balcony spaces, rather than a blanket one-size-fits-all minimum apartment size," he said.

The Property Council welcomed the new laws.

"This is a workable policy that the government is to be commended on," executive director Sally Capp said, although she said some measures like minimum balcony sizes were concerning.

Moreland Council this year asked the Planning Minister to bring in minimum apartment sizes, of at least 50 square metres for one bedroom, 65 square metres for two and 90 square metres for three-bedroom apartments.

Mr Wynne rejected the council's plan, which would have been far tougher than his new rules, to be introduced in March.

Moreland's mayor, independent Helen Davidson, said the new rules were disappointing. "It doesn't go far enough," she said. The new rules did not have enough separation between apartment buildings, too little guidance on light courts and there was not enough natural ventilation required, she said.

Under the new rules, at least 40 per cent of the apartments in a development must have "effective" cross ventilation. "So basically it's going to be similar to office towers," Cr Davidson said.

Despite the watering down of many changes the government had flagged in its draft rules last year, the Master Builders Association of Victoria still said they could stop

some developers going ahead with their apartment projects. The changes could make apartments more expensive, chief executive Radley de Silva said.

Planners welcomed the changes, saying the government had listened to those in the industry. The Victorian chapter of the Planning Institute of Australia pointed out that all of the standards were "discretionary", and that this would allow flexibility for better design.

The apartment standards, Victorian president Laura Murray said, would "not hinder development but allow for better quality design outcomes that are site responsive".

Ms Murray said the minimum bedroom and living room size were a welcome change, as were rules on storage and balconies. These, in particular, specify that items on balconies, such as air conditioning units, cannot be included in external area measurements. This would, she said, "ensure balconies ... achieve a space that is useable rather than tokenistic".