



Government of Western Australia
Department of Planning

Death by a thousand cuts the challenges of housing affordability

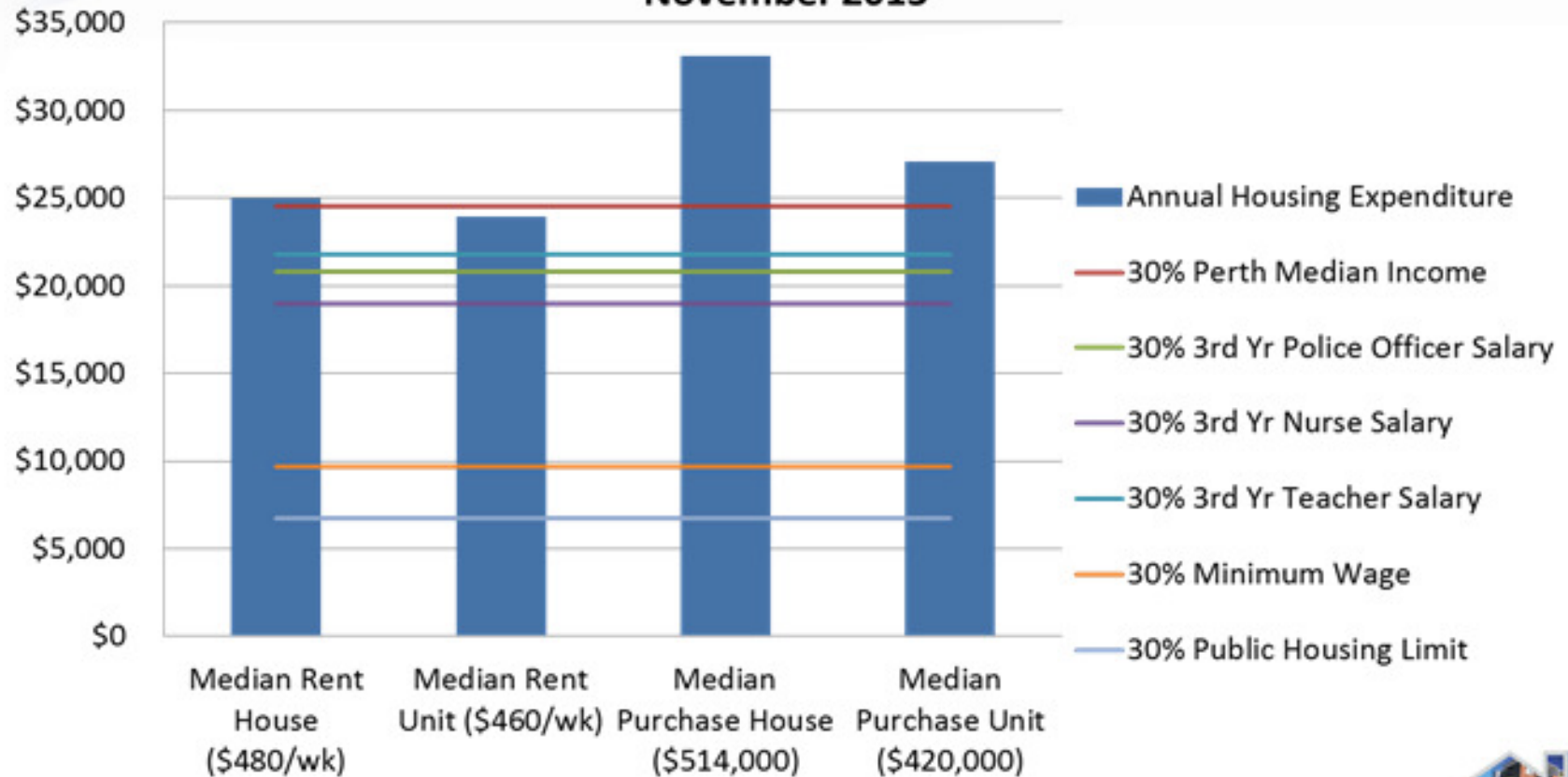
Marion Thompson
Office of Land & Housing Supply

For Local Government Planners Association
21st November 2013



What's the problem?

Annual Housing Costs: Perth Metro Area
November 2013

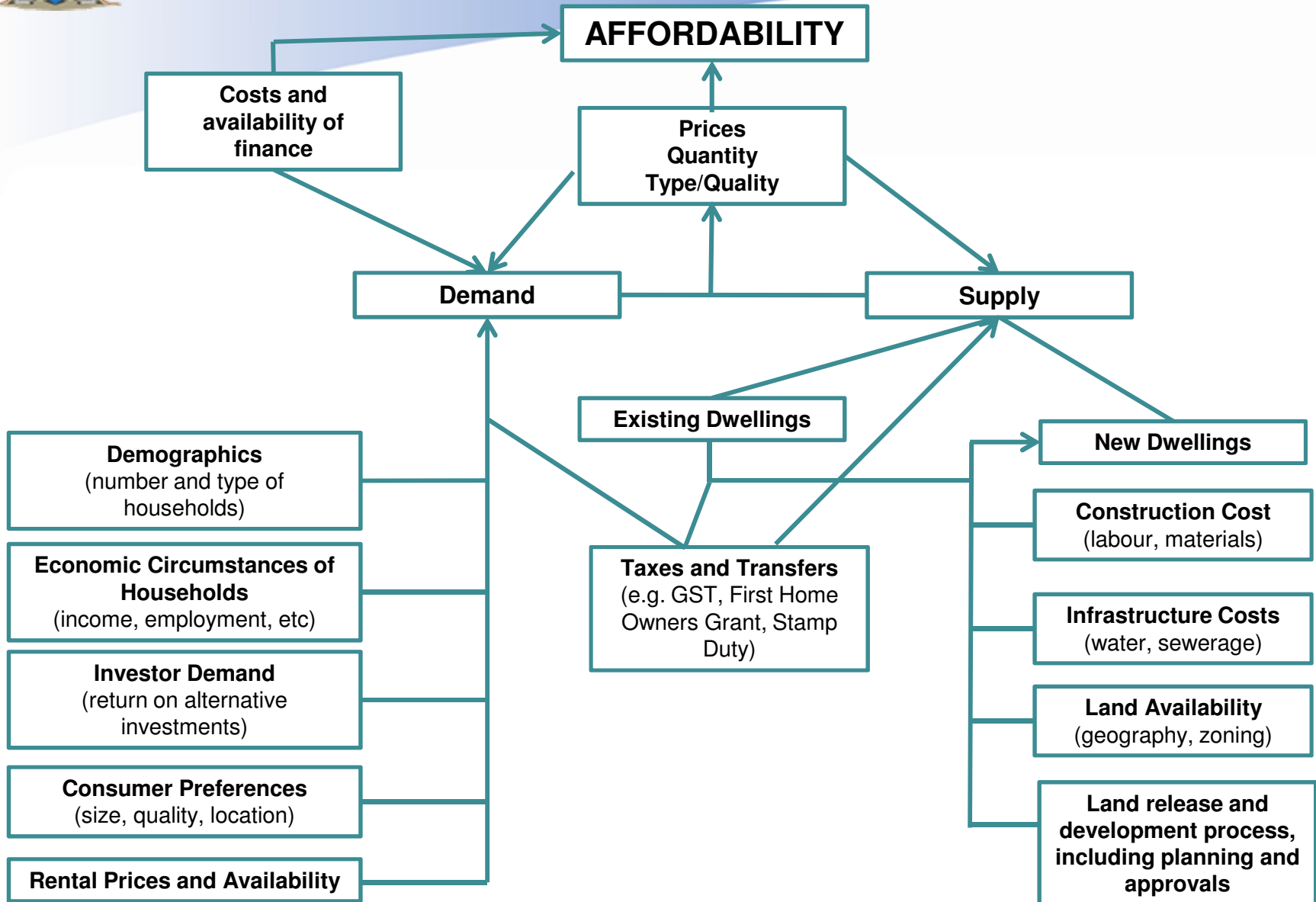


Sources: REIWA, ABS, Reserve Bank of Australia





Its complicated.....





Definitions:

Housing
Affordability

Overall cost of housing
in the wider market

- Supply / Demand
- Construction Costs
- Land / Infrastructure Costs
- House sizes
- Finance availability
- Materials / finishes

Affordable Living

Cost of living

- Mortgage / rent
- Transport
- Energy
- Water
- Goods & services

“Affordable
Housing”

Individual dwellings
that are **affordable to** -
and **occupied by** -
nominated households

- Boarding Houses
- Social Housing
- Affordable Rental (e.g. NRAS)
- Shared Equity
- Keystart
- Low cost market housing





“Affordable Housing”

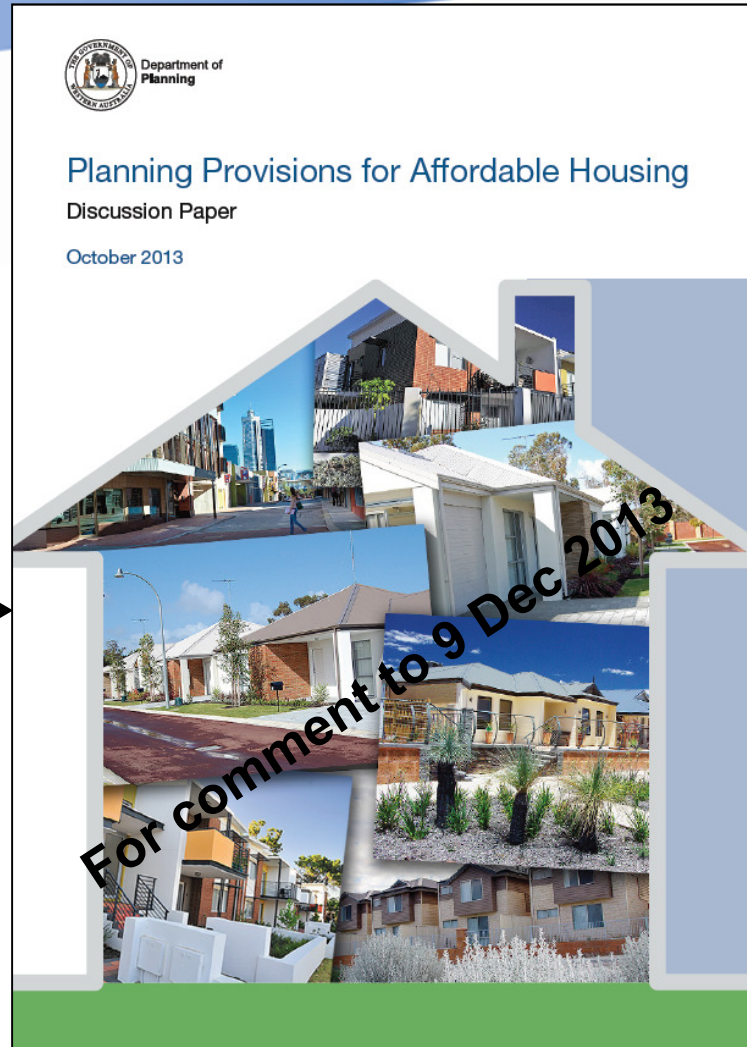
- **“Affordable to” = Price Point**
 - 30% of income – *rule of thumb*
 - Income left over after housing costs
- **“Occupied by” = Income**
 - “Very Low” <50% median (\$41,000)
 - “Low” <80% median (\$65,000)
 - “Moderate” <120% median (\$98,000)





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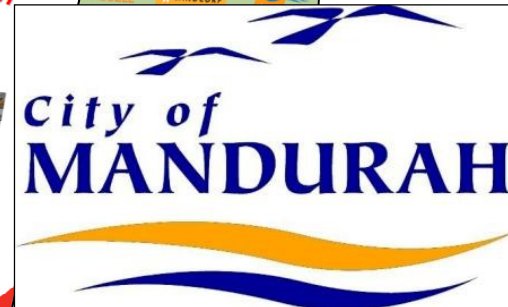
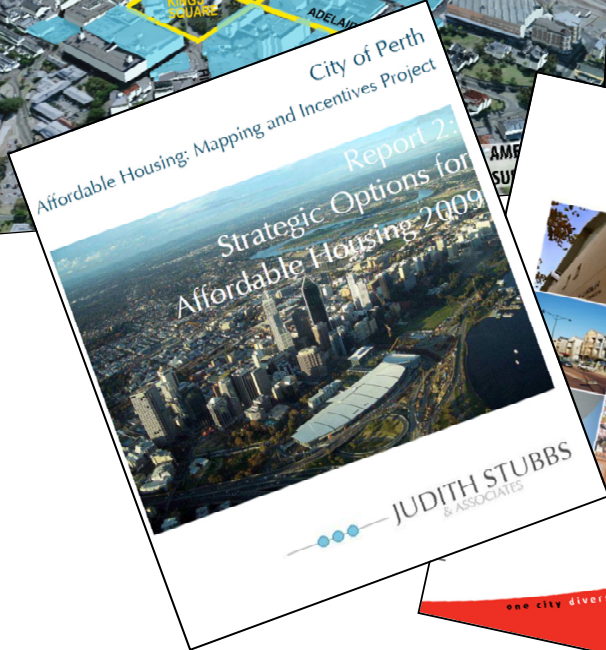
“Affordable Housing”





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Also, individual initiatives





Affordable housing can be:

*Aged, Disability,
Pensioners*

<\$30,000

*Retail, hospitality,
casual workers*

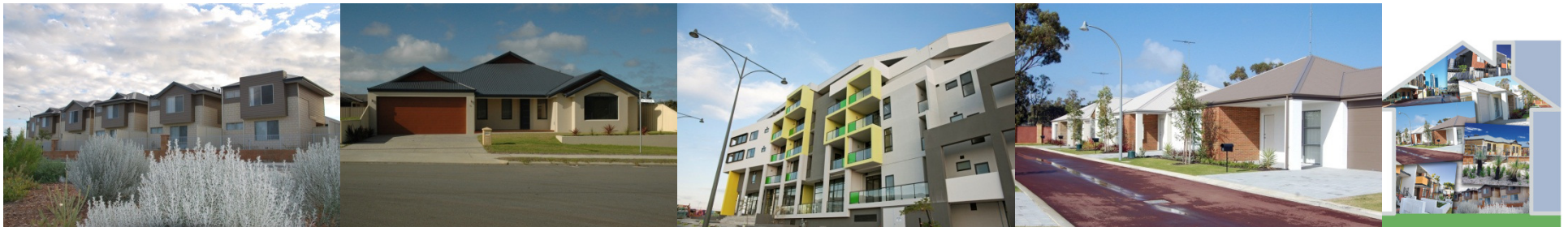
<\$50,000

*Nurses, police,
Govt employees*

<\$70,000

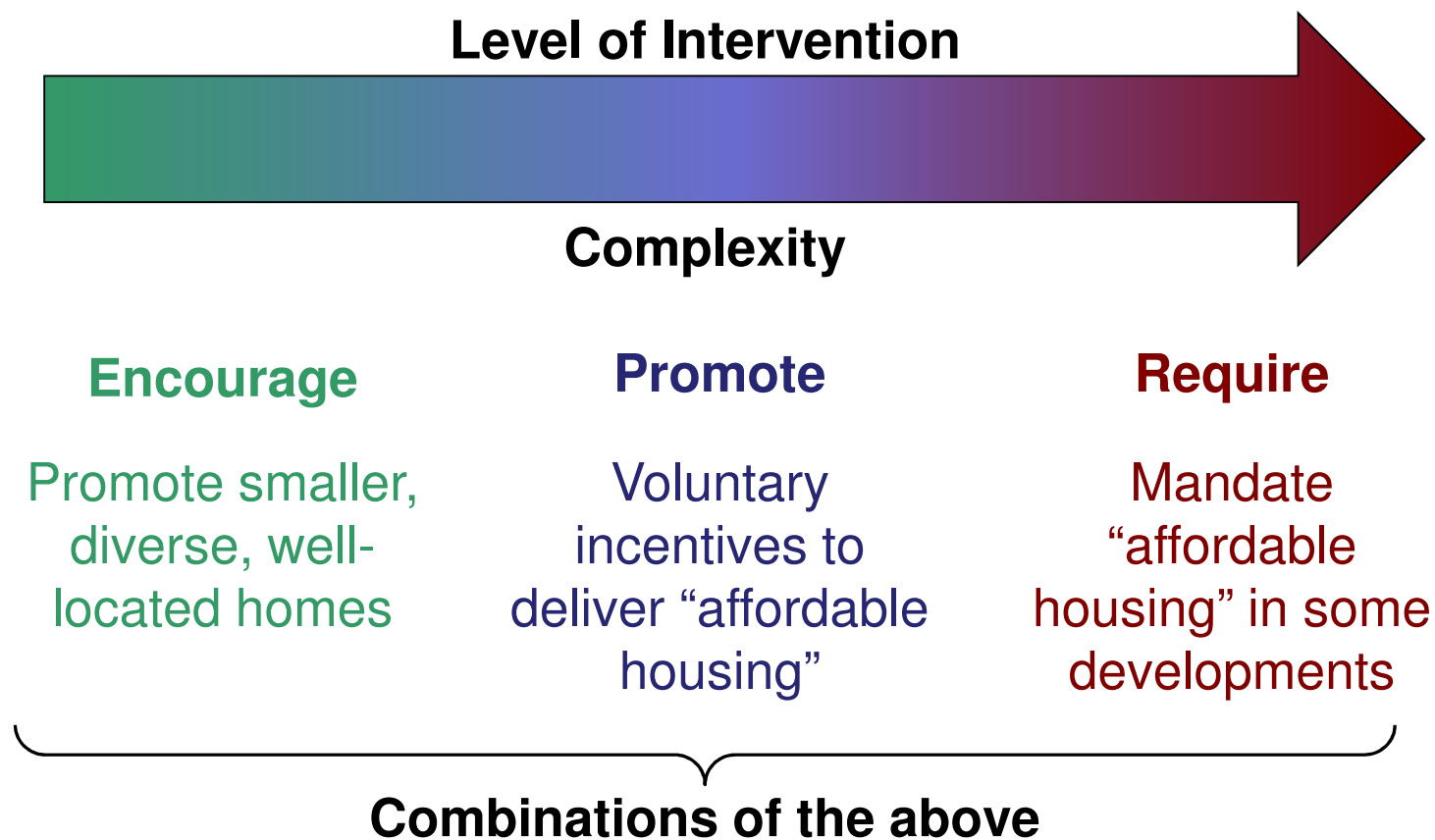
Professionals

\$90,000



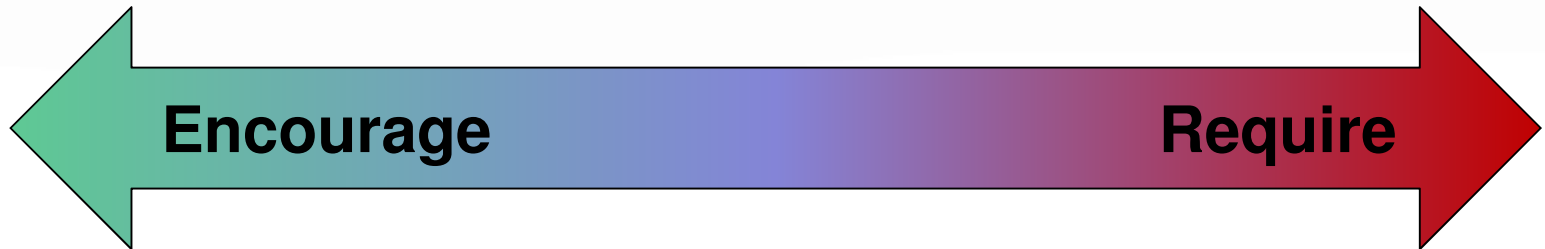


Broad Policy Approaches





Options



<i>Option</i>	Option 1	Option 2	Option 3	Option 4
<i>Approach</i>	Retain diversity focus No specific provisions for affordable housing	Voluntary Incentives Mandatory provisions only apply on Government land	Voluntary Incentives Mandatory provisions possible on private land, but only in selected areas (State determined)	Voluntary Incentives Mandatory provisions possible on private land in most areas (LGA determined)
<i>Potential Legislation or Policy changes</i>	No change	Legislation, Guidelines including Toolbox of measures	Legislation, SPP, Guidelines including Toolbox of measures	Legislation, SPP, Guidelines including Toolbox of measures





Challenges

- ***Introducing:*** definition, evidence basis, effectiveness, feasibility
- ***Assessment:*** provisions, assessment, compliance
- ***Post construction:*** monitoring, management capacity





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Feedback

- www.planning.wa.gov.au/affordablehousing
- Online Survey
- Written submissions
- Comments close **5pm Monday 9 December**





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Affordable living

Costs associated with
the dwelling

Costs associated with
the location



THE HOUSING WE'D CHOOSE:
a study for Perth and Peel
Report • May 2013





Housing affordability- death by a thousand cuts

- Restrictive covenants- minimum dwelling size, garage doors
- Developer contributions- community facilities, park standards
- Bushfire risk- higher building standards
- Fire exits- 11m min to exit in WA; 22m min in Victoria
- Carparking- varying standards, basement landscaping?
- Range hood vent requirements- Local Health Laws
- Restrictive bank lending for small & studio apartments
- No combined GST/stamp duty relief for apartment products

香港附世界最具競爭力管理區域

香港是人口稠人且經濟最發達之一地，也是全球最安全及最穩定之經濟體。一向向來以其高質素的生活質素及繁榮之經濟，吸引了不少人士，不少人士亦因此回流香港。為了提高香港之競爭力，政府正尋求更多方法，以吸引更多人才回流香港，並尋求更多方法，以吸引更多人才回流香港。

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