Vanessa Kershaw

From: Housing Supply
To: Housing Supply
Subject: RE: Improving and maintaining the affordability, supply, and quality of housing in Australia. [SEC=OFFICIAL]

From: Jack <[Redacted]>
Sent: Wednesday, 29 July 2026 5:16 PM
To: Strategic Communications & Engagement (Productivity Commission) <Communications@pc.gov.au>
Subject: Fwd: Improving and maintaining the affordability, supply, and quality of housing in Australia.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Begin forwarded message:

Productivity Commission.

HOUSING. PC'S RECENT PAPER.

Copy for you.

Jack Kershaw
(details below)

From: Jack <[Redacted]>
Date: 24 March 2026 11:43:59 AM AEDT
To: jim.chalmers[Redacted]
Subject: Improving and maintaining the affordability, supply, and quality of housing in Australia.

Hon Jim Chalmers MP,

Dear Treasurer,

Improving and maintaining the affordability, supply, and quality of housing in Australia.

Many now believe affordable (as well as readily available and more suitable) suburban land, delivered by the public sector, is the key to solving our shocking housing problems, with flow-on effects across all sectors and typologies. That's hand in hand with empowering owner-occupiers, and a resultant more stable residential building industry; as well as, with their concurrence, involving First Nations people, in the process.

Suburban, and satellite-town land reforms.

AN ESSAY BY JACK KERSHAW, A RETIRED CANBERRA BASED ARCHITECT, AND DEVELOPMENT WRITER.

UPDATED VERSION. March 2026

"What about me? It isn't fair. I've had enough, now I want my share. Can't you see, I wanna live, but you just take more than you give..." * - so apt for the housing crisis.

Government policies to fix the current housing affordability, quality, and supply crises clearly aren't working. And they're unlikely to ever work, while a cartel-like, "free (not)-market" system is allowed to control the delivery processes across the board, including for public or social housing. Especially in regard to new land for housing, the system apparently operates as a self-serving privatised surveying, planning, development, valuation, and, of course, finance operation, and has inveigled itself into our lives, at the expense of universal decent affordable living conditions, and population health.

A back-to-basics approach is clearly needed, with some constructive lateral thinking, to solve the problem in the Australian context, reflecting our characteristic individuality, as well as, a growing understanding of, and respect for the land, the environment, our cities, towns, villages, and suburbs – and a fair go.

General housing un-affordability took hold around 1990, pushed by property carpetbaggers, and a new breed of neo-liberal mega land developers hell-bent on taking us back to the slums of industrial-revolution Britain. Up and down, and across the country, they slice the land thinly, destroy soil profiles and important vegetation, keep supply low, jack up prices, tart up new estates with limited but often inaccessible/unsuitable public spaces, and invoke spurious environmental factors.

(Their eye-watering profits are echoed in today's closed-shop event ticket prices, and freeway tolls – messaging, in the name of "efficiency", "embrace monopolies, eliminate competition".)

So now a pathetic sliver of land costs half a million dollars.

Rates-collecting local governments, including the ACT's, were forced to ditch their land-affordability and supply duties, and got on the gravy train, along with some perhaps unscrupulous private development, planning, surveying, and civil engineering outfits.

Markets generally rise and fall, but new land prices are kept sky high. For them to fall to genuinely affordable levels, and for single-dwelling plots to return to family-livable sizes, today's lenders, developers, speculators, governments, and many borrowers, would scream blue murder. But fall in price, and increase in size, they must, because that's the only real solution to the affordability-amenity crisis, across the board. It's certainly not the building of more cramped multiple-dwellings by developers (they will restrict supply, and not markedly reduce prices).

A major paradigm shift is needed now, particularly with respect to new housing land.

Relentlessly, housing affordability is being pushed out of the reach of more and more Australians, while land developers and their bankers wallow in profits, clearly aware of, but uncaring about the social decline and divide they are causing.

This, in a country with plenty of suitable land, and skilled professionals to deliver environmentally, economically, and socially sustainable new suburbs and satellite towns, with good-sized plots of land.

However, over the last 25 years or so, what was a straightforward, fair system for delivering such land at an affordable price, mostly by the public sector, has been destroyed by an insidious "neo-liberal'" approach, in which land prices have been, and continue to be, relentlessly pushed higher and higher, with plots made smaller and smaller, and in which supply has been choked off, mostly by private (and some public) sector land developers, in pursuit of exploding retail profits, now nudging 600 to 800% on a tiny sliver! They're selling when available, but more and more, home seekers are missing out due to straight out un-affordability.

Local authorities are apparently complicit in this soul-destroying profiteering, with their Rates revenue skyrocketing in all locations.

Building more dwellings in established areas clearly has little effect on affordability.

Reforming the suburban/satellite-town land system, while maintaining land supply, is the key to solving the Australian housing affordability crisis, <u>across the board</u>. That's along with <u>empowering</u> genuine owner-occupiers, in the process, from the outset.

Too much money is tied up in house prices, hamstringing a sustainable and progressive economy.

A workable action plan is needed,

. Fighting back for the "Australian dream", and a fair go,

. Stopping land profiteering,

. Ensuring supply of good affordable new land directly to owner-occupiers,

. Making the divisive and stressful "property ladder" a thing of the past,

. Tempering investment housing tax concessions, and ineffectual grants,

. Curbing inappropriate opportunistic up-zoning,

. Scrapping the land Rates revenue system, in favour of a fairer one (see below),

. Improving the quality, and amenity of multi-unit, and public housing,

. Achieving a more appropriate and equitable building industry,

. Possibly reversing the related current decline in the birth rate,

. Enabling a more sustainable economy in a changing world.

Housing affordability in Australia remains in dire straits. Demand is high. Supply, especially for families, is (kept) low. Government grants etc. seem to be simply subsumed into prices. Monetary measures hurt many, and, like increasing supply in established areas, seem to have little effect.

New decent-sized blocks of land are kept in short supply, and outrageously expensive – out of all proportion to their cost to produce, and out of reach to a huge growing number of families, who are also mostly kept out of the actual delivery process of building a house.

Empowering homemakers, and "de-privatising" the delivery of land, are key factors in achieving affordability, sustainability, quality, and supply.

Current policies aimed at achieving affordability, mainly rely on increasing supply in established areas; with additional new suburbs more and more discouraged.

In earlier times, in some jurisdictions, it was occasionally possible to amalgamate a cluster of single-dwelling blocks of land in established areas, for comprehensive and acceptable redevelopment into higher density affordable housing.

Now, there seems to be just two main densification scenarios, both, with some exceptions, generally offering very little to solving the affordability problem:

1. Tinkering with existing individual single-dwelling blocks to achieve densification. This is usually brought about by "up-zoning" to increase density. A more sympathetic sounding term used, is "Urban Transect" in which more attention is intended to be given to the detailed circumstances in a particular area, and is generally regarded as more sophisticated. *"Transect thinking helps to address the different ways people like to live, providing different urban environments appropriate to their location, and the people who live in them"* – so says one description of Transect. However, most local authorities seem to opt for the less nuanced zoning approach, apparently because it is more

"manageable", even coercive, especially in regard to the application of the municipal "Rates" system for collecting revenue – Rates bills go up virtually immediately with up-zoning, because the subject zone-compliant land is deemed to have increased in value. That's an indictment of the Rates system.

Naturally, there's strong resistance to all that from local residents and others, for a wide range of mostly valid reasons, relating to <u>amenity, privacy, traffic and parking problems, the work that has been put into their houses and established gardens etc., inappropriate street dimensions, the existing density already being quite high anyway in many cases, the fact that many of them don't wish to sell up, or down-size in situ, and heritage factors.</u>

The most "dumbed down", destructive, and misguided version of this is the <u>house-in-the-backyard</u> dual occupancy on a typical, say, 800 square metre block.

For sub-dividable dual occupancy dwellings to have the right environmental, energy, contextual, parking, and amenity attributes in a suburban setting, many believe initial <u>non-street corner</u> land parcels need to be at least 1,200 square metres in area. In any case, widespread dual occupancies in existing suburbs will result in an un-planned-for, unsightly, and unsafe proliferation of cars parked on verges, and footpaths (if they exist).

2. Second scenario - the release of large portions of former public housing or other urban public land, and the re-zoning of significant inner-town/city tracts, for private redevelopment into medium and <u>high density housing</u>, often very <u>high-rise</u>. Despite authorities invoking the above described <u>Urban Transect</u> principles, this approach invariably leads to <u>"planning and development by deal making",</u> and/or <u>"unsolicited urbanism",</u> still from pushy developers, mostly with "tame" private planning advice, and apparently loved by the banks and governments; generally with <u>poor outcomes</u> with respect to **community,**

privacy, amenity, solar access, parking, landscaping, building height, urban compatibility, traffic, building and apartment designs and quality, sizes, and mixes, etc. Over time, local authorities have been continuously relaxing requirements and controls on those criteria, under pressure, no doubt, from developers. Often in inner-city places, the housing density is already relatively high anyway, due to the smallness and narrowness of the plots of land.

Typical new apartments, especially in high-rise developments, are invariably too narrow (poor aspect ratio), and too small, as evidenced by the proliferation of rented storage space across our cities and towns – often space for items needing to be at hand, and apparently not officially counted in the recorded floor space of dwellings, and by the proliferation of internal bedrooms, flats with little or no solar access or outlook, and the general lack of functional and discrete in-apartment entry spaces – all regressive trends with respect to, let's face it, civilization.

(An example of this blight, is in a new high rise residential development in Woden Town Centre, ACT, where a multi-storeyed stack of tiny one-bedroom flats have their cramped balconies facing due south, just 13 metres from the parallel façade of an existing heritage listed commercial high-rise building. A late development condition requires these hapless units to have privacy screens on their south facades, so no outlook and no sunshine ever, for the flats, and an overshadowed office building with lost views, and its free-standing uniqueness trashed.)

Construction complexity and costs in this system are high and continue to rise, including from Trade Unions' needs to, not necessarily unfairly or unreasonably, address occupational health and safety matters.

The resultant apartments are apparently getting sold, however, reportedly, a high proportion of these flats are "investment properties" owned by landlords, who in the main, are clearly not so concerned about the above quantitative and qualitative criteria. Indications are that many flats, even townhouses and houses, remain unoccupied; apparently a pernicious form of hoarding that must be stamped out.

As to the compulsory, or even voluntary, provision of “affordable” public housing in the above redevelopment scenarios, the outcomes can be socially divisive, with those dwellings invariably being low-grade with respect to construction, and the above criteria. This relates directly to the regrettable outsourcing of public housing from private developers.

The provision of public housing needs to return from being outsourced, to being a public undertaking, with councils and governments providing the land and funding, consulting with stakeholders including neighbours and Trade Unions, commissioning professional design work, calling competitive tenders, and paying for construction, quality assurance, management, and upkeep.

However, by accepting that new suburbs and satellite towns can be environmentally and logistically feasible (see below), and by reforming how they’re delivered, subdivided, and sold, permanent housing affordability, and improved residential amenity can be achieved, with flow-on effects across all housing sectors, typologies, and locations.

And the development of better designed new suburbs can clearly contribute greatly to the greening of the local environment, with nature conservation incorporated into the design, and good-sized verdant back and front yard gardens.

However, new single-house plots are kept shockingly scarce, are continuously shrinking, and are **outrageously expensive**, typically, over $800,000 for a minuscule block in Canberra. With the raw land bequeathed to the ACT, and tiny typical individual plots reportedly costing around $75,000 to physically produce, that's a profit of over 800%! (Even with a notional "before" raw block price of say, $25,000, the profit is still around **600%**.)

This destructive profiteering cannot be allowed to go on.

(The above production cost would exclude that of new schools and other community facilities, which are funded from their separate government budget allocations. Those costs are reportedly commensurate with up-grading such facilities in existing areas receiving housing density increases, where the changes can result in increased traffic congestion and other pressures on the community.)

Clearly, because those current new plots are so small and expensive, developers, speculative builders, and in some cases private owners, are building the largest houses that they can get away with, just to make or maximize a sale profit, and probably to create a "rich" and exclusive enclave. Those expensive (often priced over $1million) mega-edifices sell, significantly because land supply is deliberately kept low across the country – that's scandalous **cartel** behaviour.

And, of course, the syndrome extends into established areas, in a soul destroying price loop of insane profiteering for a chosen few.

This creates an unhealthy social divide, and lower income earners rarely get a look in, and if they do, they're forced onto even smaller plots of land, or into attached housing, still with major privacy problems, etc.

In today's new subdivisions, good solar access, privacy, and space for on-site trees and gardens, a shed, trampoline, etc. are at best, minimized or more usually, not included at all; not to mention the energy-sapping "heat-island" effect, and the visual blight of endless rows of back-to-back beetling dark roofed mega-mansions, or tightly jammed, dressed-up hutches, mostly with garages dominating the streetscapes.

Land plots for semi-detached, and row or terrace houses in new estates are given the same disdainful treatment – often resulting in narrow-gutted, slum-like boxes, with lousy visual and sound privacy, low levels of cross ventilation and solar access, and stingy finite private open spaces.

In most of the above scenarios, the dwellings are also completely finite with respect to form and floor-space, ruling out future additions and alterations to deal with changing accommodation requirements etc. – hardly the Australian way.

As well, in acts of self-righteous cynicism, often worse than their 19th century mill-owning predecessors, today's estate developers dish up, not only insultingly tiny land plots, but disingenuous "compensatory" public landscaped spaces - often on unsuitable land, or the unsafe median strips of busy roads, where they quickly deteriorate after the inevitably cash-strapped local authority takes over. (Certainly, playing fields are provided, but they're necessary anyway.)

Suburban living remains popular and in demand. But what can medium to low income families do? They strive to make do as best they can in the stunted living conditions foisted upon them, and, possibly in view of their huge outlays, may often defend their "choice".

However, they didn't cause the amenity problem, and deserve better. In this "neo liberal" financial world, it's clear that private land and property developers, aided and abetted by banks, agents, and even governments, did cause the problem.

So we have a situation where housing (an essential commodity) finance is **enmeshed in the unforgiving maelstrom of big commercial business and finance.**

Governments, instead of protecting ordinary Australians from that, in some kind of mind snap, have let them flounder, with disastrous results for general housing affordability and amenity. Radical rescue action is required, now.

Instead of relying on, or aping the profit-driven behaviour of private developers, **governments themselves, at all levels, need to urgently embark on the comprehensive, professional, planning and development of new well-connected suburban estates and satellite towns,** including the (compulsorily if necessary) acquisition of the necessary land; and make good-sized, readily affordable plots available directly to home makers, for a variety of housing typologies. That would see the typical single-house plot being not less than say, 600 square metres, mostly more.

Subdivision designs can be improved to assist in achieving this goal, without necessarily requiring a larger overall suburban footprint. With a return to larger typical blocks, steeper land that would otherwise be excluded can be utilized, and important original soil profiles and existing vegetation, can be preserved. This enables a more interesting, creative, and appealing local environment, redolent of older suburbs. Other measures include paired "Battle-axe" (second row) arrangements, with clear address identifications, which will reduce road footprints, maximize connection efficiency to services (water, sewer, electricity, storm water, communications), and enable more freedom and individuality in house design, as well as increased landscaping.

Contrary to concerns about sustainability and the environment, etc., plenty of such safe land is available, in the right places, across the nation, for the

planning and development of <u>well-connected working communities</u>, with <u>on-going supply</u>.

(<u>In and around multi-town-centre Canberra</u>, that's in places including always-planned-for West Tuggeranong [the town centre is deliberately on the west side of the southern conurbation], eventually South Tuggeranong, Kowen [near Queanbeyan], land east of Mugga Lane in Jerrabomberra, suitable inner areas like tracts of Stirling Park in Yarralumla, South and West Belconnen, some land west of Weston Creek, and south of Hume, sections of several suburban open spaces [some say unreasonably prevented from development by overly zealous conservationists, despite the <u>urban context imperative</u>, and the opportunity for local preservation areas], never-to-be-used road reserve swathes, and more – all while preserving the iconic "bush capital" character with its open-space inner hills and ridges. Suitable land to the north of the ACT could also be included, with sustainable extensions of the border with NSW, to the north and northwest.

In view of clearly shocking land price abuse by private estate developers and the ACT Government over the last 20 to 25 years, the substantial document produced by the ACT government after the 2003 bushfires *Shaping Our Territory*, would need revision to ensure such exploitation cannot re-occur; and this paper proposes a methodology to that end. And bushfires can be limited in spread by swathes of less fire prone vegetation, as occurred with the National Arboretum site, a former highly flammable pine plantation.)

The quantum of public water supply, envisaged for densification developments, would be available for the subject more responsible alternative – new suburbs with decent sized blocks of land. There, <u>large on-site water tanks, solar arrays</u>, heat pumps, etc. are far more feasible and effective than in densification developments. (The ACT has the opportunity for future increased water supply from the always-planned Tennent Dam on the Gudgenby River in the south, and/or purified recycled wastewater.)

Largely self-contained **<u>satellite towns</u>** and dispersed town centres clearly work, and could be the basis for much of the subject suburban-type growth.

Electric and hydrogen-fueled cars, and public transport, including trams, combined with appropriate infrastructure, will enable sustainable connectivity.

The already fully planned and designed (subject to technology improvements) **east coast high-speed rail** system, and similar projects, would stimulate and sustain such growth centres. **Q. Where's much of the finance for such nation building projects? A. Sloshing around in excessive house prices.**

However, increasing development density in existing areas is touted as the solution to the affordability crisis. These suggestions are often knee-jerk, and grasp at approval processes that lessen or eliminate the involvement of existing impacted residents; and utilities and public transport upgrades are often necessary. It's difficult to get independent advice (it's mostly from industry-connected or funded organisations), but analyses of the respective current costs to physically provide plots of land in new, versus existing areas, indicate little difference, under current delivery systems – the protected "market" syndrome.

New-building typologies in these areas are often in the form of large multiple-dwelling developments – often expensive, complex in nature, lacking in general amenity including adequate in-ground landscaping, and naturally, very time consuming to be approved and built.

Responsible major reforms in the delivery, pricing (reduced), and supply (increased), of public sector delivered new suburban land are clearly needed.

The corrections would have overdue **healthy flow-on affordability effects through most housing typologies and locations**.

Existing mortgage holders, especially those who purchased recently, experiencing any significant financial stress from "negative equity" resulting from the reforms, may need protection for a time. Banks etc. who lent money to those purchasers, of course need to take responsibility for their actions, but may also need some assistance, keeping in mind the massive profits those institutions reportedly continue to make.

In any case, and especially in relation to concerns about land asset values, the reform proposals outlined below, are for **a way overdue substantial market correction.**

Local governments, including the ACT's, relying on land sales, and related taxes and charges for a large proportion of their revenue, would need compensation.

Sadly, but realistically, we all may have to pay for the excesses of a ruined system.

A modest increase in the **Goods and Services Tax** rate, to say 12.5% (subject to detailed analysis), could be the most equitable source of finance for these associated compensation payments, and as a substitute for the current local government land Rates revenue system (see below) – in the process, giving the Commonwealth the necessary first-phase control over the paradigm shift.

Then enduring reforms can be implemented to achieve on-going housing affordability and amenity.

In the longer term, the use of the GST could be employed to moderate the current, often unfair and debilitating, interest-rate control methodology, because the "market" for housing simply **cannot be allowed to continuously fluctuate (mostly upwards) significantly from time to time**, as in most other markets (say, for business loans, commodities, and some foods). In any case, with housing at present, it's clear that genuine owner-occupier borrowers can't win – interest rates fall, and prices rise, and vice versa. Interest rates for owner-occupier housing loans need to be stabilised.

Council and other authority <u>Rates</u> charges, based on the assessed unimproved land value of a residential property, remain a questionable revenue system, especially as "market" values can accelerate through the stratosphere <u>(often by stroke-of-the-pen up-zoning),</u> in contrast with many land owners' resources – especially those of older owners who naturally wish to remain living in their time-honoured dwellings, and to share them with visiting relatives and friends, including for stay-overs.

Currently, decreases in land values are few and far between, and don't last. Land-sale transactional taxes charged by local authorities, although apparently having no fair or rational basis, could remain, but <u>the Rates system clearly needs to go.</u>

Meanwhile, the dire underlying problems of housing un-affordability and supply exist right across the country – redolent of the conditions existing <u>after World War 2</u>, prompting a form of government intervention into the provision of housing.

Grants, and other concessions for those struggling to get a family home of their own, clearly can <u>exacerbate the affordability problem</u>, because **many providers simply add the concessions on to the price**.

Although Australia's value-added-type tax rate is relatively low, compared to other countries, if the above suggested GST changes are unacceptable to government and the electorate, then funds derived from scrapping ineffectual and inflationary housing grants, and other subsidies and concessions could be used for that purpose. These concessions could encompass well-meaning, but ultimately mostly futile, housing **"accords", "accelerators", "bonuses", "support programs**", **"shared equity"** and more.

However, scrapping those measures would be a short-term source of finance, and an increase in the GST should remain the best long-term method of equitably raising money for the proposed land reforms (see below), and as a substitute for the above-described anachronistic, unfair, and possibly corruptible residential Rates system.

Local authority Rates charges are effectively paid by all key occupiers, not just owner-occupiers, because landlords pass them on to tenants. The Goods and Services Tax, as a universal tax, is similar in that regard; and in terms of perceived equity, those currently paying higher Rates, could well be spending more on goods and services, and hence GST. So, having a single revenue (the GST) system in this area, would seem fair and reasonable. Arrangements would be put in place for GST funds to flow through to local authorities.

To the details of reform.

Prospective (mostly family) homeowners need to be empowered, and their having first and only rights to owning a good sized, affordable block of safe (from flooding etc.), newly subdivided land, on which to build a house, is the key.

Any new programme to achieve this would surely need a set of special provisions to wrench home ownership and living conditions back from being where they are - disgracefully unaffordable and lousy.

To that end, briefly, through strong federal legislation, state and local governments need to ensure an on-going supply of new good-sized blocks of land, around 600 square metres minimum. Those blocks need to be in sensible, responsibly designed, development-controlled, government-delivered suburban subdivisions.

And for the blocks to be available for <u>direct sale</u>, only to deed-bonded, bona fide <u>owner-occupiers</u>, (with say, undertakings to remain in situ for a reasonable defined period - special circumstances excepted), **at say, <u>the publicly ascertainable cost to produce, in a competitive contracting environment</u>** (with the "before" raw land value strictly based on its previous use**, compulsorily purchased if necessary)**, plus a margin varying from say, 10 to 20 %, depending on the characteristics** (size, elevation, etc.) **of each block;** with a reasonable time limit on practically completing the building work.

A proportion of the sales revenue should be allocated to an official **<u>First Nations Trust</u>**, in further recognition of the original custodians of the land.

There should be similar arrangements for small manageable pre-formed Bodies Corporate for medium density projects, managed by say, a new discipline of professional and independent project facilitators.

** Alternatively, and this matter may need more detailed expert analysis for efficacy, if an "after" value (determined by government) must be used in the system, then any Capital Gains Tax due on the subject land sale to acquire it, could be waived in this situation only, and recovered to a degree via the above described increased GST system, provided acquisition prices are kept significantly down – that's if any tax at all is paid by the land developers.

Under the current commonly applied delivery system, a new homeowner could be paying **double profits** - one massive markup on the <u>land sale</u>, and the second within the <u>retail price of the dwelling</u>. <u>The former can be minimized, and the second virtually eliminated,</u> in the above-proposed new arrangements, through direct construction contracting by the land-owning purchaser with the builder, often optimized through tendering (builders in that case can rightly still and do make **<u>construction profits</u>**).

The single detached dwelling format is most suitable for this, as it is difficult for a purchaser to avoid retail markups in purchasing a house or unit in a multiple-dwelling complex – apart from in the above briefly described pre-formed Body Corporate arrangement (a type of Company Title).

The house building industry is not going to collapse or suffer under the above overdue proposals. If anything, they will give the typical small builder a fairer go, and reduce the sad prevalence of overextending themselves into "project" building, or even into property development, often with tragic results, both in terms of the product and solvencies.

On the questions of the market and associated land valuations, the bailiwick of valuers, it might be argued that the above arrangements interfere with those "natural" forces. However, we've seen how land values can change (rise) significantly through up-zoning, an activity instigated and controlled by governments, with good intentions for housing affordability, and the added "advantage" of increasing revenue from Rates etc., along with the deliberate withholding of supply.

However, especially as up-zoning clearly does not increase affordability, let alone cause a rapid or extensive uptake of say, dual-occupancy opportunities, if those authorities can make the land values rise with the stroke of a pen, it stands to reason that they can accept the above proposals for more affordable new housing land, which, let's face it, are for a major and overdue value and market **correction**, (with the added proviso described above, that lost revenue from scrapping the Rates system is replaced with a modest increase in the GST).

For those owner-occupiers who recently purchased a dwelling on a new tiny block, suffering the amenity and environmental shortcomings described above, as part of the suggested reforms, governments could implement a supplementary "allotment" program – in which owners are granted free a small parcel of nearby multi-plot land (if such land is available, and a lot of the time it won't be) for the purposes of quiet enjoyment, gardens, a gazebo, etc., with a small annual fee for the upkeep and maintenance of common areas.

However, that patronising relic of the industrial revolution in England and elsewhere, should not be accepted as a permanent solution to the overall extant problem of inadequate and over-priced suburban land, described above, because most would agree that an affordable decent sized back yard is preferable in the Australian setting, for the range of reasons outlined.

Building costs may rise with some of the above reforms – not an unwelcome outcome in view of recent multiple commercial failures in this sector. Some of the collapses may be due to over commitment, exploitation, or the attraction and subsequent mistake of imagining quick, easy, and bloated profits as retailers – and that includes building material and product manufacturers and providers.

With owner-occupiers being empowered through affordable land ownership, as described above, then, with the opportunity to obtain competitive prices for building work, and government action, (via say, the Australian Competition and Consumer Commission [ACCC]), to curb price gouging by building material supplier monopolies and cartels, the industry should stabilize.

In the broader picture, the questions on the probity of multiple dwelling "negative gearing" (allowing investors who have made a loss on an investment property to claim that loss against their personal income), and reduced capital gains tax (tax on the increased value of a property upon selling it), remain.

Clearly, increasing supply of affordable dwellings for people to buy and live in, should ameliorate those two matters of concern, because, in the case of negative gearing, rents should commensurately drop, and buying a second, third, or more dwellings to let to tenants would have less appeal.

Reduced capital gains tax was introduced to encourage investment in more than just houses. However, investors stayed with them. But government agreed to their demands for a substantial relaxation of the capital gains tax rate. Increasing supply of affordable dwellings for people to buy and live in, thus reducing prices, should put many investors off houses, and turn their attention to other, hopefully more productive enterprises.

However, increasing housing supply in established areas, as has been discussed above, does not appear to result in a reduction in prices, and therefore rents, despite all the above-described grants etc. being available.

So, it is argued that increasing housing supply, and affordability for owner-occupiers, in new, safe, well-designed, suburbs and satellite towns, with fair conditions, as described above in detail (the "land solution"), should be the path to follow for across-the-board, on-going housing affordability and supply, as well as improved quality and amenity.

In addition to assuring affordability, the subject overturning of the current approach to **an essential commodity, in the Australian context**, would:

. Empower occupiers, and foster individual creativity in housing, as well as enabling freedom for additions and alterations to more dwellings,

. Curb the cynical excesses and indifference of many developers, private landlords of multiple properties, and their financiers,

. Correct the shocking imbalance between current land prices and construction costs, in which the former are forever manipulated to be grossly high,

. Begin and continue to reduce the ugliness, overdevelopment, poor living conditions, and building defectiveness of many inner-city and other high- and medium-rise developments,

. Improve the industrial behaviour of developer-builders in the sector referred to in the previous dot-point, - rogue operators are likely to be disinclined to participate in a more responsible and open market, in which customers (even landlords) become savvier re development quality,

. Disprove the often (conveniently) invoked “urban sprawl” bogey myth,

. Precipitate more family-friendly, and energy and water efficient houses,

. Encourage beneficial building-price and design competition,

. Enable more affordable “starter” homes (catering for readily achievable later additions and alterations, as family circumstances change),

. Maintain and optimize the supply of new dwellings,

. Improve population health,

. Reduce insolvencies in the bona-fide building sector,

. Wean local authorities off the land-value Rating system of revenue, (which is clearly encouraging them to restrict supply, or to introduce extensive up-zoning, say, from single-dwelling to dual-occupancy with commensurate Rates increases, even with very little uptake of that development opportunity),

. Make the unproductive and divisive “property-ladder” imperative, a thing of the past,

. Temper the genteel, but invariably expensive caveats on building and landscape aesthetics, currently imposed by private suburban land developers, designed, in their opinion, to maintain "property values", and clearly, to also favour certain chosen retail builders,

And importantly,

. Encourage and enable a more **sustainable, diverse, and progressive national economy,** especially as we move forward into a greener world, with the industrial and social changes that go with it, while ensuring prosperity for all.

Jack Kershaw FRAIA RIBA (retired),

[Redacted]

Ph. [Redacted]

* Acknowledgements to Gary Frost and Frances Swan, the former a member of pop group *Moving Pictures*, for their chart-topping song, "*What about me?*"