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Submission in response to the draft report by Productivity Commission **Inquiry into Caring for Older Australians**

Introduction

Queensland Action for Universal Housing Design represents industry and community working together towards fair, inclusive, and sustainable communities through the adoption of universal housing design. With the support of over sixty organisations, we are calling for Regulation for minimum access requirements in the Building Code of Australia for all new and extensively modified housing. Our Position Statement accompanies this submission.

We are responding to your recommendation in Chapter 10.1 against mandated access requirements in private housing. We consider your inquiry requires further investigation regarding cost and a reliance on the anticipated outcomes of the Livable Housing Design initiative. We ask for further consideration of this matter.

Previous advice to mandate access requirements

The Australian Government has received advice from a number of advisory authorities on the need to plan and to regulate to increase the supply of accessible housing in a cost effective and planned manner. The Australian Housing and Urban Research Institute in their study of Australia's housing future recommended "the adoption of universal design principles into the Building Code of Australia [resulting] in a more accessible housing stock for persons affected by disability and their households" (Beer & Faulkner, 2009, p. 210). The Disability Investment Group was asked by the Australian Government to consider creatively how to attract much needed resources to assist people with disability. Their recommendation regarding accessible housing was unequivocal:

Urgent government action is needed as voluntary building standards for accessible and adaptable housing have failed to ensure that most new dwellings are suitable for people with disability, despite the predicted rapid increase in the proportion of the population with disability over the next 40 years. Mandatory national building standards are needed, which specify design principles and requirements that accommodate people with disability and facilitate ageing in place. (Disability Investment Group, 2009, p. 41)

In contrast, the Housing Industry of Australia rejects any intervention through regulation (Housing Industry Australia, 2007). To date the Australian Government has supported this position and is relying on the housing industry to increase the supply of accessible housing on a voluntary basis through market forces. Experience in other countries offers a pessimistic picture for people with disability and older people who seek a responsive approach to their needs by a speculative housing industry. The speculative construction industry generally is structured to seek the highest profit at the point of sale, with the long-term use or value of the dwelling as a low priority (Guy, 1998). As a rule, regulation with incentives and supported by education, has been shown to provide the most reliable supply of accessible housing (Imrie, 2006; Kose, 2010; Nishita, Liebig, Pynoos, Perelman & Spegal, 2007; Scotts, Saville-Smith & James, 2007).

The Livable Housing Design initiative received the endorsement from national housing industry representatives on 13 July 2010 last year. Queensland Action for Universal Housing Design also supports this initiative and has taken steps to further its aspirational goals. However, there is very little action by industry or governments following this agreement.

- The Livable Housing Design initiative or the Australian Government has taken no further public action since its announcement on 13 July 2010.
- In response to QAUHD's request, the Queensland Government established a
 Taskforce promoting Livable Housing Design. There has been one meeting on 16
 December 2010 after which there were no minutes sent or any further meetings
 planned.
- The first aspirational target proposed for the uptake of the Livable Housing Design Guidelines by the Commonwealth and States is 100 per cent to Silver (minimum) level by 2011 (National Dialogue on Universal Housing Design, 2010). The Queensland Department of Communities has informed QAUHD they intend to provide only 40% of housing with access features.
- The guidelines issued by the Australian Government for the Economic Stimulus Plan
 New Construction (Australian Government, 2009) have not been upgraded to comply with the silver level (they have omitted a step-free entry, a step free path of

travel throughout the entry level of the dwelling or a toilet useable for people mobility aids).

Lack of demand for new accessible housing

The Livable Housing Design program's main strategy is twofold: first to inform homebuyers of the value of including access features, such as step-free entry, wider doorways and corridors and an accessible toilet, thereby increasing demand at the point of new sale and second, to train the housing industry so that they will respond in a skilled and informed manner. The study in the United States of America by Smith et al. (2008) observed that, in spite of the significant need for access features in housing, the demand for these features at the point of sale of a new dwelling is negligible, and this lack of demand may be difficult to overcome. The situation in Australia is comparable.

A study of the housing needs of older people aged over seventy-five years in Australia (Judd, Olsberg, Quinn & Demirbilek, 2009) observed that this group tend not to move and consider their wellbeing is contingent on staying in the community they know and near their networks of support. They consider their current housing to be suitable until a member of the household needs assistance, at which time they prefer to modify their home. Unfortunately, poor timing, cost, perceived devaluation of property value and inertia lead to many older people coping without good access and safety features even when they need it.

Families with a younger person with disability experience different housing issues. The study by Beer and Faulkner (2009) that investigated the housing careers of people with disability reported that these households typically earn less, own less, and have greater difficulty maintaining the tenure of their home. Because the wellbeing of these families is also dependent on accessing support services and networks, affordable transport and employment, they are unlikely to move once they have a suitable home and all these elements are in place.

Imminent retirees or "baby-boomers" have indicated they want to stay in the community, live well and for a long time (Salt & Mikklesen, 2009). They tend to consider their housing as an investment rather than a stable family base and are anticipated to be more mobile than the previous generation, changing their housing a number of times after they retire (Beer & Faulkner, 2009). However, Spanbroek and Karol (2006) observed in their West Australian study that while this group are likely to require accessible housing in the near future, they are not showing signs of planning for the realities of old age, illness or disability, to care for an ageing or ill partner, or the costs of home modifications that may be necessary.

From a study of potential home-buyers of sustainable housing in Victoria and New South Wales, Crabtree and Hes (2009) it can be expected that the average buyer of new dwellings will not want housing that has access features considered as something special, added on or different. Buyers accepted these features if they were included as normal, unobtrusive and without fuss. More buyers baulked at paying extra for some unknown beneficiary or need in the future. Karol (2008) sums up this situation in her study of the provision of access features in new private housing in Western Australia: "There are no signs that the market place is demanding universal design in the home to meet the needs of home occupants over successive generations" (p. 83).

It is understandable why the industry does not want regulation when the demand at the point of new sale is minimal. Nevertheless, Smith et al. (Smith et al., 2008) make an important point that given the increasing aged and disabled population and the number of households that use a dwelling over its lifetime, most housing will require access features. It is from this logic that Queensland Action for Universal Housing Design calls for regulation for minimum access requirements in the Building Code of Australia for all new and extensively modified housing.

Cost

The estimated cost of providing minimum access features in new housing has been variable. The Victorian Government's Regulatory Impact Statement (2010), investigating possible regulation of access features similar to the Livable Housing Design's silver level, provide the most objective figures to date, given their purpose. Table 1 compares the costs for access features of a number of housing types at design stage and Table 2 provides the average cost of retrofitting the same features into a standard house design.

Table.1. Costs for Access Features at Design Stage

Cost of access at design stage	Single house	Low-rise unit	High-rise unit (elevator)
Cost of dwelling	\$870	\$190	\$1000
Percentage of cost	\$370,000	\$250,000	\$330,000
	0.2%	0.1%	0.3%

Table 2. Cost of Retrofitting the Same Features in Table 1

Cost of retrofitting	\$19,400
Cost of dwelling	\$320,000
Percentage of cost	6%

The added cost of access features at design stage is an average of 0.2% of the housing cost compared with added cost later of 6% for retrofitting these same features. The Housing Industry of Australia anticipates the added cost of silver level features of the Livable Housing Design program to be in the vicinity of \$5,000 (ABC, 2010 para. 22). This figure although inflated compared to that of the Victorian Government's Regulatory Impact Statement is minimal to the cost of retrofitting the same features.

Consequences of inadequate supply of housing with access features

The consequences of not providing a reliable supply of accessible housing are well known. Saugeres (2010), in her Victorian based study of housing and support needs of people with disability observed that the serious and entrenched shortage of accessible housing exacerbated "their marginalization and dependency on carers, support agencies and the State" (p. 1). The implications of slip, trip and fall injuries for health and community services in buildings are also of concern. The report by Ozanne-Smith, Guy, Kelly, & Clapperton (2008) commissioned by the Australian Building Codes Board, the mechanism responsible for building regulatory matters, found that most building related accidents happen in the home environment and affect mainly vulnerable people, in particular, older women. The report concludes that, even considering non-structural factors which may contribute to these injuries, some of the blame can be directed at ill-considered housing design.

Both the Australian Government and state jurisdictions are funding avoidable hospital stays, placements in specialist residential care and community services as a direct consequence of poor housing design (Office of the Public Advocate, 2005). Current government funded home modification assistance programs have been found to be piecemeal, variable in quality, with long wait-times (Jones, de Jonge & Phillips, 2008).

An analysis of the long-term benefits to the community at large of a regulatory regime ensuring a reliable supply of accessible housing is more difficult to provide. In the absence of adequate data, the advice to the Victorian Government (2010) on the long-term value of systemic change through regulation was positive and unambiguous, anticipating significant value to the community through "enhanced safety and amenity, greater social inclusion and social capital, and higher quality housing" (p. 6).

Conclusion

In 2004, the Productivity Commission also neglected to make any clear recommendation in its report on Reform of Building Regulation (2004) in spite of a number of submissions supporting a national regulatory response within the Building Code of Australia. The explanation then was that the Australian Building Codes Board "was conducting research into adaptable housing... [for] governments and industry to plan for the future supply of accessible housing, including the implementation of regulatory or other measures, to stimulate appropriate supply" (p. 131). At the same time the report recommended national consistency of building regulation whenever possible in part a response to the frustration of the Housing Industry of Australia at the plethora of variations across the States and local councils. Regardless, seven years later, the only action taken by both the Productivity Commission and the Australian Building Codes Board has been to support a voluntary code through the Livable Housing Design program.

Queensland Action for Universal Housing Design requests that the Productivity Commission reconsider the issue of mandating access requirements in housing. In the light of current research, the Productivity Commission has no grounds to anticipate a reliable supply of accessible housing through the Livable Housing Design initiative. The estimated additional costs of access features are various, yet the most exaggerated cost is minimal in comparison to the retrofit of the same features and to the burgeoning costs of aged residential and community care.

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