

HOUSING REFORM

Statement

HON DR BRAD PETTITT (South Metropolitan) [5.43 pm]: Before I start, I want to acknowledge the members' statements that were made before mine tonight. They have been extremely powerful and I am thankful for them. I just want to make a brief statement in response to the recent announcements around housing. I have been contemplating today how to respond to them. First of all, I am really pleased that the minister and the Leader of the House have talked about needing to pull new levers around how we do housing reform. I welcome that and that has been really encouraging, and I want to acknowledge that. Pleasingly, I think there is now acknowledgement that building our way out of the housing crisis is not going to get us there quickly enough. The numbers around that are really stark. Although building new houses is really important, there is a really serious crisis right now.

It was good to see the government pull two levers in the last couple of days. Yesterday, the government announced its rent relief program for eligible tenants who are at risk of eviction, which, at the heart of it, is a really good thing to do. At the heart of my speech today is a concern that I want to highlight to Parliament and everyone. We need to make structural changes and not just throw money at a short-term problem without fixing the structural issue. Importantly, the rent relief program will try to deal with a structural issue that sits before us, but these programs are in danger of being bandaid solutions to the structural problem if we do not deal with the long-term issues. To put this in context, this country has long had a national rental affordability scheme, but it is coming to an end. Weirdly, there has been no conversation about rebooting that scheme, whether that be with a state affordability scheme for rentals or as part of a national one.

We need long-term approaches to this issue. What was announced yesterday, which, again, I welcome, will only pay someone's rent for three months to help them get over a hurdle. It will not fix the fundamental problem, which is that the private rental market is, frankly, unaffordable for many people. That structural unaffordability will continue for many years ahead. In fact, all the numbers coming out suggest that it will get worse before it gets better because the rental shortfall is growing between 4 000 and 5 000 dwellings a year. It is estimated that we will have a shortfall of between 20 000 and 25 000 dwellings by 2026 or 2027. Although the intervention that provides three months' rent relief is important to deal with an immediate crisis, it will not deal with the fundamental problem.

A similar thing can be said about the Airbnb reforms that were announced today. Again, they are really welcome. I know that everyone in this place regularly puts up with me talking about the importance of going from the short term to the long-term market. Seeing the minister pull that lever is important, but after contemplating today's announcement, I do not think that a one-off \$10 000 payment to Airbnb property owners is the way to solve this issue. In fact, *The West Australian* highlighted the Leader of the House acknowledging that it was likely to only incentivise the return of 270 houses to the long-term market. That is fewer than 300 houses when, as I said before, we are looking at a crisis of a shortfall of around 20 000 houses. Interestingly, there are between 20 000 and 25 000 short-term accommodation dwellings available on the market.

Rather than the approach of a one-off \$10 000 payment for one year, which will certainly benefit Airbnb property owners, surely it would be smarter to have a series of both carrots and sticks. A very big carrot is being given to Airbnb accommodation owners because they will get \$10 000 each. But where are the sticks that say that if a person keeps their property on the Airbnb platform, they will pay a higher rate of rates or tax or some other kind of disincentive to encourage them to put their houses back on the long-term market for more than just one year? This crisis is not a one-year crisis; it will be a multiple-year crisis. My concern about the \$10 000 payment is that it will apply to only 270 or 300 houses and, ultimately, most people will not want to take their homes across to the rental market for just one year. If they transition from the short term to the long term, they will want to do that over multiple years. In fact, some of the commentary has been very much about that. It would seem like a smarter use of taxpayer money rather than funding short-stay property owners who, frankly, are doing very well out of Airbnb, Stayz or whatever other short-term platform they are using. We need a proper mechanism that will result in those properties returning to the rental market long term.

Those are two examples over two days. I do not want to talk down what the government has announced. I am pleased to see the government pull those levers. But I appeal for proper, long-term sustainable solutions that will fix our housing crisis. Throwing short-term bits of money at these issues will have a small and direct impact, but not one that will be sustainable in the longer term and ultimately fix the fundamental structural problems. Rents will continue to be extremely high for many years into the future because our construction industry simply cannot build at the rate required to change that. We need levers that will drag short-term accommodation to the long-term market for a sustained period, well beyond 12 months. Those things are obviously fundamental but they are not happening.

There are plenty of other levers. We need to keep looking at smart levers. I hope the government will look at the issue of houses remaining vacant. We have talked about the extremely high number of vacant homes. If we are to believe what came out of the most recent census, there are more than one million vacant homes across the country

and more than 100 000 across WA. People who own those vacant homes could be incentivised through carrots, which is what the government talked about today, and by providing financial disincentives when they leave their homes vacant. We need to pull many levers in a way that will fix this problem in the longer term.

Just to wrap up, it is good to see the government pulling levers, but it needs to ensure that those levers are long-term and sustainable and fundamentally fix the problem.