

# Australia's housing crisis and the new anti-democratic electoral laws

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People in Australia are confronting an intensifying housing crisis. Home ownership is being pushed out of reach for many young people, and millions of working-class families are facing poverty, substandard accommodation and potential homelessness.

This is contributing to deepening discontent that is feeding into the social unrest and fueling a mounting political crisis. With both the Liberal-National government and the opposition Labor Party experiencing plunging support, they joined hands in August to rush through parliament new anti-democratic electoral laws that seek to deregister a host of political parties, including the Socialist Equality Party (SEP).

Across the country, housing costs are at record-breaking highs. The median house price is now \$994,579, just short of a million dollars, making it one of the highest in the world. The result is a critical shortage of affordable housing.

The crisis is particularly sharp in Sydney, Australia's most populous city. It is the third most expensive location in the world, with a median house price just short of \$1.5 million, third behind Vancouver and Hong Kong.

Rents are skyrocketing too. According to a report by data firm CoreLogic, national rental rates increased by 8.9 percent over the past year, the highest year-on-year rise since July 2008.

Working-class families are being pushed into the outer suburbs in all the major cities, seeking cheaper accommodation or, in growing numbers, into homelessness.

The rise in housing costs has produced a social catastrophe. According to the Organisation for Economic Cooperation and Development (OECD), Australia has the second highest rate of homelessness in the OECD, second only to New Zealand (0.48

percent and 0.86 percent respectively).

The outdated Australian Bureau of Statistics homelessness figure sits at 116,000 a day, based on the 2016 census data. An August parliamentary report inquiry into homelessness estimated that official "data may omit around 60 percent of homeless people." Potentially 250,000 people could be homeless on any given night, or nearly 1 percent of the Australian population.

The 2020 Homeless Monitor Report stated that in 2018-19, 290,000 people sought help from Specialist Homelessness Service agencies, an increase from 255,700 in 2014-15. In 2018-19, these agencies provided approximately 7 million nights of accommodation, with a median of 29 nights per client.

Public housing is in shambles. The latest figures from Compass Housing Services state that 196,000 households are on social housing waiting lists across the country. The report identified that the real demand for social housing is possibly around 300 percent higher, as many households do not bother applying because of long waiting lists—applicants are waiting up to 10 years to secure a house.

Fuelling the rise in homelessness have been the below-poverty level unemployment payments. A housing survey by the Anglicare charity conducted this year found that only three rental properties across the entire country were affordable for a single person living on the government's JobSeeker payment, and they were all shared accommodation.

Aware of the increasing outrage from broad sections of the population, the Labor Party recently pledged \$10 billion for affordable housing, saying it would build 20,000 social housing properties over five years. That pledge is a drop in the ocean compared to what is required. Moreover, no faith can be placed in such

promises because Labor is directly responsible for the housing crisis.

The Hawke and Keating Labor governments from 1983 to 1996 were the key architects in the dismantling of public and social housing. In 1983, a market-driven model was implemented which provided those on welfare payments with cash subsidies if they were unable to find public housing. This was to direct low-income people away from public and into private housing.

In 1990-1991, funding for public housing construction was gutted. Real capital funding fell by 25 percent in that decade to 2000-01. Joint venture “partnerships” with private developers were established, permitting them to tear down housing estates to build replacements with far less public housing.

The result has been the relentless destruction of public housing. In 1980, social and public housing made up almost 20 percent of all homes that had been built since World War II. By 2008, public housing properties constituted only 4.9 percent nationally of all properties. By 2018, it was just 4.6 percent.

These policies were combined with tax incentives and corporate deregulation for property developers and financial speculators. State and federal governments implemented capital gains tax concessions and policies such as negative gearing tax deductions for non-owner occupied home loans, aimed at propping up speculative activity in the housing market.

Like its counterparts internationally, the ruling class has resorted to ever-more parasitic means of profit accumulation. Particularly since the 2008-09 global financial crisis and the implosion of the two-decade mining boom in 2014, Australian capitalism has sought to offset the economic fallout by jacking up property prices.

An effective response to the housing disaster and the growth in homelessness requires a massive reallocation of resources to meet social needs, including the provision of adequate social and public housing. It necessitates a rational economic plan, coordinated on a global level, to provide a high standard of living for all.

That will be impossible whilst the essential levers of the economy are controlled and operated on the basis of corporate profit. What is required is the struggle for socialism, rooted in the working class, the sole social

force whose fundamental interests align with the reorganisation of society from the ground up to address social need.

It is this perspective that both the Liberal-National government and Labor have tried to block by jointly rushing through anti-democratic electoral bills on August 26. The laws force each political party that has no seats in parliament to submit a list of 1,500 members, treble the previous number, or face deregistration, which means its party name cannot appear alongside its candidates on ballot papers. This targets the SEP and 35 other registered parties.

The deepening housing crisis is compounding the political hostility to the major parties. They seek to stifle the leftward opposition of the working class to the rise in social inequality and prevent it from finding political and, above all, a socialist expression.

Support our campaign against these anti-democratic laws and join the fight to defeat them. Assist us to advance our socialist perspective in the 2022 election and beyond by signing up as an electoral member today.



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