

Australian floods underscore the sham of a government “buyback” scheme

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Widespread and ongoing floods across eastern Australia have further exposed the inadequacy of a limited “buyback” scheme announced last month by the federal and New South Wales (NSW) state government for northern NSW.

The disaster that has engulfed tens of thousands of people across vast areas over the past month has demonstrated that the earlier catastrophe in northern NSW is part of a wider crisis produced by extreme weather events, the frequency and magnitude of which are being increased by the impact of climate change.

Eight months after record-breaking floods devastated residents in the rural city of Lismore and across the state’s Northern Rivers region, Labor Prime Minister Anthony Albanese and Liberal-National state Premier Dominic Perrottet visited Lismore to jointly unveil a scheme to either buy back, raise or repair flood-damaged homes in that region.

The “Resilient Homes Program” was said to be an \$800 million package, co-funded by the federal and NSW governments, to potentially assist 2,000 flood-affected homeowners. If deemed eligible, homeowners would be offered buyback or repair options, based on government assessments of flood impact, safety risks and potential future floods.

For residents classified as living in high-risk “red zone” areas, governments would offer to buy their houses and land, supposedly at pre-flood market values. The NSW government also would spend \$100 million to buy land in flood-safe locations for new real estate developments.

For other residents, the Northern Rivers Reconstruction Corporation (NRRC), established in July by the Perrottet government, would offer either \$100,000 to raise homes to levels considered safe from future flooding, or \$50,000 to retrofit houses to meet updated building standards.

After residents were left in limbo for months, it is now clear the scheme will not cover all the flood-affected

homeowners, let alone the many tenants who lost their homes and face exorbitant rents, even for flood-damaged accommodation.

One revealing indicator of the narrow scope of the scheme came at the joint media conference conducted by Albanese and Perrottet. A journalist asked: “We know about 14,000 homes were affected by the flood events in February and March, could you explain why only 2,000 will be covered by this money?”

With Albanese by his side, Perrottet replied: “We’ve worked very closely with the local community in identifying those homes that are at most risk. This is about protecting those homes who we know, in a year, would have a one in five chance of being affected by flood.”

Apart from Perrottet’s claim of close consultation being false, this year’s experiences have proven that many more homes have been damaged and continue to be exposed to the risk of floods than the supposed “one in five chance.”

Whatever the public relations displays put on by Albanese and Perrottet, not a single assurance they utter about the scheme can be trusted. Residents already have raised questions about the lack of information being provided, particularly on who will receive compensation.

When the NRRC held its first public information session this month, Marcus Bebb, a South Lismore resident, lambasted it as a “dog’s breakfast” when talking to the Australian Broadcasting Corporation. Other residents added criticisms, including a lack of consultation with affected communities.

Speaking to the Australian Associated Press, domestic violence worker Vicky Findlay, who lost her home to floodwaters and has a disabled son living in a caravan while waiting for social housing, said: “Nobody’s actually spoken to us about what our community’s needs are prior to determining the package. I feel like it’s a bit of a cookie-cutter approach.”

Although the option to sell your house to the

government and try to buy elsewhere is presented as voluntary, residents in the “red zones” selected for buybacks have accused the authorities of giving them little choice.

One resident posted on the Resilient Lismore Facebook site: “I’ve just been told that if we get zoned at ‘red zone’ buybacks, have insurance, which is deducted off buyback, and don’t take it we will get screwed over, leaving our house uninsurable and unsellable as the NRRC and government have labelled the area/ house as uninhabitable.”

Citing “privacy” concerns, and the need to assess individual circumstances and properties on a case-by-case basis, the NRRC has refused to release maps indicating which streets or properties are likely to receive buyback offers.

Even if flood victims are compensated with the market value of their homes prior to the floods, exorbitant property prices will prevent many from remaining nearby in the communities where they want to live.

In a show of tripartisan unity, the Greens, who posture as an alternative to Labor and the Liberal-National Coalition, welcomed the package and joined the Albanese-Perrottet announcement. Greens MP for Ballina, Tamara Smith, told the *Echo*, a local newspaper, that she was “very pleased to stand with local MPs, the prime minister and the premier.”

Despite the wide regions being hit by floods, the scheme has been confined to seven local government areas—Ballina, Byron Bay, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Heads.

According to Stuart Ayres, the NSW Minister for Western Sydney, it would cost at least \$5 billion to buy back every inundated home in the low-lying Hawkesbury region, on the northern edge of Sydney, one of the areas worst affected during this year’s floods.

Three major floods have devastated western Sydney in 18 months, breaking water level records not exceeded in decades. Now the floods of the past month have destroyed or badly damaged homes throughout the Murray-Darling river system, which covers about one-seventh of the Australian continent.

The Australian Bureau of Meteorology has warned of further La Niña rain events across eastern Australia until January or February, posing the threat of further destructive floods.

The buyback scheme sham is another demonstration of government indifference to flood victims, who have often been left to rescue themselves, and of the underlying

failure of the capitalist profit system to protect working-class people from the increasing severity and frequency of such climate change-related catastrophes.

An inquiry into the Northern Rivers floods by a multi-party NSW parliamentary committee documented a string of failures by successive governments to adequately prepare for, and respond to, such disasters. But there were no recommendations for the cessation of property building on flood plains or for action to halt climate change.

For decades, Liberal-National and Labor governments alike have zoned flood-prone areas for housing development, allowing developers to take advantage of working-class and poorer people unable to afford soaring house prices.

As the Socialist Equality Party said in its March 6 statement, “Australia’s floods: An indictment of capitalism,” the floods, coming on top of the 2019–20 bushfire catastrophe and the ongoing COVID-19 pandemic, exposed the contempt of governments—Coalition and Labor—for the health, lives and livelihoods of ordinary working people.

“Every aspect of the floods crisis—from the lack of preparation and warnings to people, to the inadequacy of basic infrastructure and support services, and the lack of assistance offered to the hundreds of thousands of flood victims—is the direct result of the subordination of society to the dictates of private profit,” the statement explained.



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