

Australian Labor government suffers parliamentary defeat over housing bill

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For the first time since it was narrowly elected over a year ago, the Albanese Labor government suffered a major parliamentary defeat this week. Significantly, it came on its inadequate housing bill, amid a deepening housing affordability crisis and soaring homelessness throughout Australia.

The Greens and the Liberal-National Coalition combined in the Senate on Monday to delay the government's centre-piece Housing Australia Future Fund bill until at least October 16, after months of the bill being stalled in the Senate, where Labor holds only 26 out of the 76 seats.

According to the government's estimations, the proposed \$10 billion investment fund, depending on the volatile share markets, would provide \$500 million a year for social and affordable housing, financing the construction of up to 30,000 homes over five years. That is a drop in the ocean compared to the rapidly mounting need. Moreover, no home would be built until 2025, at least.

Research reports have shown that Australia's shortfall in social-housing dwellings is 524,000 and is set to reach 671,000 over the next decade, adding to the already years-long social and public housing waiting lists.

While the Coalition opposed even the pittance promised by Labor, the Greens moved to postpone the bill on the grounds that it did not go far enough and offered no relief to tenants—over a third of the population.

In a sign of political instability, the government declared that it regarded the Senate vote as a failure to pass the bill—effectively threatening to use it as a possible trigger for a double dissolution election of both houses of parliament. Under the Constitution, if the bill were to be rejected or further delayed in October, Prime Minister Anthony Albanese could gamble his government's future on such an election.

Yesterday, however, the government refused to commit

to re-presenting the bill in October.

As if to underline the blow to the government, its ministers denounced the Senate vote in incendiary language. Trade Minister Don Farrell branded the Greens and the Coalition as an “axis of evil.” Assistant Labor Trade Minister Tim Ayres referred to the Greens as “Trotskyite student politicians,” who had teamed up with the “hard right” Coalition.

In reality, the Greens have nothing whatever to do with socialism or Trotskyism. Theirs is a capitalist party, totally committed to upholding the existing order based on corporate wealth and to propping up the parliamentary establishment, including the current Labor government.

The Greens' motion to delay a vote on the bill for four months was more in the nature of a plea to the government to come to a deal on the bill in order to avert a political crisis. The motion sought to “allow time for National Cabinet to progress reforms to strengthen renters' rights.”

In a media release, Greens leader Adam Bandt stated: “If Labor acts on soaring rents at National Cabinet, their bill can pass.” The party's housing spokesperson, Max Chandler Mather, urged Albanese to “show leadership at National Cabinet and put money on the table to coordinate national limits on rent increases.”

National Cabinet is an unconstitutional cabal of federal, state and territory government leaders, now all representing Labor, with the sole exception of the island state of Tasmania. In April, Albanese asked National Cabinet to examine renters' rights, but most of the governments have already rejected rent freezes or caps.

Chandler Mather further promoted illusions in being able to successfully pressure the government to do more. He claimed that the Greens' refusal to vote for the bill had forced Labor to suddenly announce, last Saturday, that it would give the states and territories \$2 billion immediately to spend on social and affordable housing.

However, the \$2 billion, to be spent by mid-2025, is also nowhere near what is needed. A 2021 Australian government-funded review found that around \$290 billion would be required over the next two decades to meet the shortfall in social and affordable homes.

That is roughly the same amount that the Labor government has allocated over those two decades for the purchase from the US and UK of AUKUS nuclear-powered attack submarines, designed for war against China.

Moreover, the \$2 billion scheme contains no numbers for new dwellings to be built. Under the agreement that Albanese struck with the state and territory governments, they can use the cash to refurbish and renovate uninhabitable stock.

Last month, the Greens proposed a supposed compromise in an attempt to save the day for the government amid rising social discontent. Previously, they had called for direct government spending of \$5 billion each year, saying that was essential to eventually end the affordable housing shortfall. Last month, they halved that proposal to \$2.5 billion a year—far too little even by their own standards.

The Greens also urged the government to offer the state and territory governments \$1 billion in incentives to enact a two-year freeze on rents and adopt rent caps. That is completely inadequate as well, when average advertised private rents have already risen by around 10 percent or more in major cities over the past year, and are expected to further soar as mortgage interest rate hikes hit harder.

Labor's latest \$2 billion scheme also involves getting the state and territory governments to review their planning laws in order to accelerate projects by corporate developers. In effect, that means scrapping or relaxing regulations in order to further boost the profitability of property developers.

This benefits tycoons, such as billionaire Harry Triguboff, the Meriton apartment king, whose wealth rose 12 percent to \$23.8 billion last year, according to the latest *Australian Financial Review* Rich List. He and others on the Rich List have made fortunes on the back of the decimation of public and social housing over the past four decades.

Successive governments, Labor and Coalition alike, have slashed funding for social housing. The Australian Homelessness Monitor reported that from 1991 to 2021, “social-housing lettings plunged by 42 percent—or proportionate to population, 61 percent.”

That is on top of the gutting of public housing. Last

month the Australian Bureau of Statistics reported that monthly public sector building approvals had plummeted more than sevenfold from 1,434 in July 1983 to 194 in April 2023. The year 1983, when the Hawke-Keating Labor government took office, marked an acceleration of the elimination of public housing.

Waiting lists for public housing keep lengthening. As at June 2021, by the latest statistics available from the Australian Institute of Health and Welfare, 163,500 households were on the lists, up from 154,600 in June 2014. “Waiting list data for both community housing and Indigenous community housing were unavailable,” the institute reported.

No doubt all the waiting lists will have grown over the past two years of soaring home mortgage interest rates and rents, driven up by the Reserve Bank of Australia and landlords.

Disgracefully, there are no up-to-date statistics measuring homelessness. Almost 280,000 people sought help from homelessness services in Australia last year, up by around 8 percent from four years earlier. Many were turned away due to a lack of resources.

Millions more working-class households are threatened with acute financial stress and evictions. Reports now appear daily of workers and families living in cars or tents and depending on food charities to survive.

There is only one way to resolve the accelerating housing crisis. The Socialist Equality Party is fighting to completely overturn the power of the property developers, landlords and banks, and their governments that have created it.

A workers' government would redirect the massive wealth accumulated by the billionaires and financial speculators, and the billions being spent on war plans, to housing, health, education and other essential social programs. To do that, it would place the banks, finance houses and property industries under public ownership and workers' control.



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