

## **F. Oswald Barnett Oration**

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### ***Out of the Policy Vacuum: Putting Housing Back on the Public Policy Agenda***

#### **Introduction**

It is a privilege to be giving the 2001 Oswald Barnett Oration, and perhaps a doubtful honour to be giving the first in what promises to be a new format. In the 1930s neither Oswald Barnett nor anybody else, irrespective of how visionary they were, could envisage the information technology revolution and its capacity to inform and educate in new ways. Thus in 2001 we have this Oration being delivered via the web, allowing readers the opportunity to digest, reflect and criticise the message and ideas before the formal presentation.

The Oration and web content is structured into two parts. The actual Oration overviews the different contexts facing Oswald Barnett and ourselves and outlines a rationale for contemporary housing reform. The appendix contains a brief set of programs and policy ideas consistent with such a new direction in housing policy. They are suggestive of the way we can move forward, and are offered to encourage debate. Some may seem impossible in the current political climate, but this was no doubt what was said of Oswald Barnett's ideas over seventy years ago. However, as houses – like all bricks and mortar – tend to outlast politicians, policy makers and political fashions, we must not be constrained by short-term impediments but develop a long-term perspective on what we want from our housing system and how we are to achieve it.

I have already mentioned context and, of course, I have my own. As an academic with an applied policy orientation, I have mixed for over twenty-five years with other academics, students, policy makers, politicians, and industry and community representatives, and their views, ideas and research have been important in shaping

my own ideas and views on housing. Thus it is important for me to acknowledge that the opinions expressed here owe an enormous debt to colleagues, friends and acquaintances in the Australian housing policy field. I will not single out any in particular, although those who read this should be able to guess where they had influence.

### **The Housing Vacuum**

Given the importance of housing to personal wellbeing and self-identity as well as to the functioning of our economy, cities and towns, it is perhaps surprising that it appears so rarely on the public policy agenda in 2001. Let us consider the issues which are currently visible. Probably top of the list, even though not part of the reality for many areas of Australia, is the media coverage – almost all approving – given to the rising house prices in major urban centres. Extension of the temporary \$14,000 grant for first home buyers buying new homes has also received good coverage. Medium density development in established suburbs continues to stimulate active community debate in the large cities, and occasionally there is a study of youth homelessness that gives the reporter and photographer licence to engage in a ‘gritty reality’ story that provides moral compensation for a media that more often than not has vacuous stories on sport or the lives of the rich and famous.

Other than these, few housing issues receive public attention, while some are off the agenda because politicians have learnt not to discuss them, public servants have learnt not to suggest them, and the media cannot even think of them. These include favourable capital gains treatment for home owners, untargeted negative gearing provisions, the social costs of spiralling house prices or rents, the rundown condition of much public housing stock, and the housing problems in area of low demand, for example, country towns and some urban areas.

Does the relative absence of housing issues from the public policy debate mean that all Australians have access to secure, affordable, appropriate and adequate housing? Clearly not. After-housing poverty increased from around 7 per cent at the time of the Henderson Poverty Inquiry in the early 1970s to 11 per cent in 1996.<sup>1</sup> Some indigenous people in rural and remote areas live in what can only be described as ‘third world’ conditions.<sup>2</sup> Lower income people increasingly must find housing in the private rental market, and meanwhile the supply of lower cost rental housing is declining.<sup>3</sup> Many social and housing tenants live in housing that is ageing and

sometimes in areas where facilities are poor and jobs are not available. Our towns and cities, via the mechanism of the housing market, are increasingly segregated by wealth and income, with associated differences in life chances.<sup>4</sup> Homelessness is increasing.<sup>5</sup> Some urban areas and country towns are at risk of a spiral of falling property values, disinvestment and concentrations of poverty, with the outcome that they become areas of social exclusion.<sup>6</sup> Finally, there is emerging evidence that home ownership is in decline, particularly among young people, and this process has occurred without much concern or debate.<sup>7</sup> In short, it is difficult to escape the conclusion that housing problems are worse than a decade ago.

Despite this evidence, housing is largely seen as a market commodity with outcomes decided by market processes, and if there are problems they are – to use the language of C. Wright Mills – ‘personal problems’ rather than ‘public issues’.<sup>8</sup> There is little policy debate around housing, and even less leadership.

### **Getting Housing Problems onto the Public Policy Agenda:**

#### **An Historical Perspective**

How have we arrived at this policy vacuum, and what can the legacy of Oswald Barnett teach us? Barnett’s work was driven initially by his anguish over the vast differences between lives in the slum areas of inner Melbourne compared to middle-class suburbs in the 1920s.<sup>9</sup> He was particularly concerned about the impact on babies who would be harmed by living in a harsh and often ‘immoral’ environment. Oswald Barnett’s perception of housing problems evolved over time, as Renate Howe reminded us in the inaugural Oration.<sup>10</sup> Whilst he was still concerned at the contribution of alcoholism, moral failings and family breakdown, by the mid-1930s his work had led him to identify more structural causes of the constellation of poverty and poor housing found in slum areas. These included unemployment, casual work, absentee private landlords, poor maintenance and high rents. The perception that private markets in housing often failed low income families led to Barnett’s successful lobbying for a Victorian Housing Commission to circumvent this by government building and management of housing for such families. The national acceptance of public housing through its incorporation into the first Commonwealth-State Housing Agreement (CSHA) in 1945 meant that it became the policy solution for low income households. But it also became more than that. Through its construction program, public housing had an important role in addressing problems of urban renewal,

housing quality and shortages, counter-cyclical movements in the building cycle and decentralisation, or what we might now call regional development.<sup>11</sup>

Thus for thirty years from 1945 to the mid-1970s, Barnett's definition of the housing problem – and those of similar reformers in other states – and his solution became enshrined in Australia housing policy. In 1975, the Commission of Inquiry into Poverty challenged this orthodoxy by redefining the problem.<sup>12</sup> It argued that the strategy of building up a stock of public housing had simply not worked for many poor households. Despite thirty years of effort, there was too little public housing to accommodate many poor households, and the way in which public housing had been managed – that is, eligibility and allocations policy – had excluded many of the poor who lived in the private rental sector. The housing problems of low income households were redefined in the report as primarily a problem of low income, with the Commission recommending a guaranteed minimum income as a policy response. If this was not possible, the Commission recommended an extension of rent assistance for renters (cash payments within the income security system) together with tax credits for low income working households who rented privately. Subsequently, and particularly from the mid-1980s, governments extended and made more generous rent assistance payments to provide more immediate and widespread assistance to low income private renters than seemed possible with a public housing strategy. A consequence of the Poverty Inquiry was therefore to lay the ground for the undermining of the public housing system in terms of its dominance in the provision of housing assistance.

By the late 1970s many of the other housing problems that Oswald Barnett had tried to get on the agenda had been addressed. The inner urban slums had largely been removed or gentrified, housing shortages had been overcome and issues of decentralisation and regional development were on the back burner. Thus, parallel with the weakening of support for public housing in its housing assistance role, there was also the weakening of its historical rationale.

The 1980s may be seen as a holding period when housing policy and associated institutional structures, at least on the surface, were much the same as they had been for most of the postwar era. But beneath the surface there were whirlpools of change which by the 1990s had the related effects of reducing housing issues to the status of a private trouble and pushing housing increasingly off the policy agenda.

The biggest change was in the nature of the Australian economy and society, creating an imperative to look at public policy, including housing policy, in new ways. Beginning more or less in the 1980s, Australia underwent a complex, multifaceted and obscure process of moving from what has been described as a modernist society to a postmodern/post-industrial/ post-Fordist society. This involved a reduced dependence on manufacturing and an increase in the importance of services. It required even greater integration into the world economy – the process of globalisation – and greater demographic and cultural diversity, and it also meant new social and political philosophies and policies, many of which were absorbed from the Reaganite United States and the Thatcherite United Kingdom. Australia gave the latter a specific twist and identity – economic rationalism. The effects of all these processes are still being worked through. In housing, one effect was to create a climate where politicians and other policy influentials began questioning the validity of policy and institutional structures that had served Australia well for the bulk of the postwar era but which were now seen as impediments to a new economy and society.

The 1988 Housing Review, the 1992 National Housing Strategy<sup>13</sup> and the report of the 1993 Industry Commission Inquiry into Public Housing<sup>14</sup> were products of this period of critical review. Alongside these reviews and studies were the often related ones concerned with the form and nature of our cities and regions and what policies were most appropriate for managing future development. The most important of these was the Australian Urban and Regional Development Review of 1993-95.<sup>15</sup> The assumptions and the policy recommendations of these reviews and studies can, in retrospect, be seen as transitional. In parts they reflected the old values and the belief in government that had held sway since the 1940s, but in others they were shaped by the values and beliefs of economic rationalism.

The effect of this ambiguity was that the politicians and policy influentials who were increasingly leaning in the economic rationalist direction could take from these studies those parts that fitted their policy agenda and ignore others. Principles of horizontal equity get picked up, but those of vertical equity ignored; concepts of user pays are taken on board, but the need for greater public spending is conveniently neglected; the links between areas – for example, housing and the urban – are dropped, but concentration on transparency and core business is promoted. Unfortunately, the legacy of the politics of policy reform in this era has been a set of housing policies and housing institutions which are neither fish nor fowl.

As a society, we have a whole new set of housing and housing related problems to deal with, most of which were signposted in the above reviews and reports, but a set of policy levers which reflect a narrow interpretation of these problems – that is, rent assistance, with its emphasis on market processes – and an institutional structure comprising the CSHA and state housing agencies, which are hangovers from the modernist era. Most other problem areas have been pushed under the carpet, and policy initiatives such as the Better Cities program that enabled a broader solution have been abandoned. I think it is fair to say that, in housing policy, little is working well, although social housing agencies are doing their best in a harsh climate, and a whole set of problems and opportunities are being overlooked by lack of policy initiatives and the appropriate institutional structures.

Most importantly, the context created a new set of policy agendas for politicians and policy makers which pushed housing further out of the public and policy consciousness. The new agendas – globalisation, deregulation, privatisation, tax reform, federal-state relations and public sector reform – led to new concerns and new debates in which housing and urban issues largely disappeared. And yet these new agendas are highly relevant to housing. Indeed, one of the reasons that the housing problems alluded to earlier are all worse than a decade ago is because of the income distribution and housing market changes created by these very processes.

Displacement by a more interesting or compelling policy environment is part of the story, but there are more specific explanations for the disappearance of housing from the policy agenda as well. One obvious reason is that most people are satisfactorily housed – a testimony to the success of past policy and affluence – and have little awareness of the wider housing problems or who are experiencing them. A second reason is that, over the last decade, the housing debate has been narrowed to one of housing assistance and even more sharply to one of public housing reform, despite the latter accounting for less than 6 per cent of stock. Why this was the case largely derives from the doctrine of economic rationalism which by the 1990s had affected virtually every area of public policy in Australia.

As this perspective basically sees the market as an effective allocator of resources, subject to minimum safety-net interventions, it is not surprising that the housing problems and policies were defined in terms of rationing assistance to potential

safety-net households. Broad issues and problems that attracted concern in earlier periods – for example, the role of housing markets affecting urban form, the achievement of home ownership, the role of housing as an economic driver, or issues of regional development – were no longer concerns of governments who believed in a minimalist state. The market could be left to address these areas, with the housing problem becoming defined narrowly to an income assistance problem and the need for public housing reform. This narrowing of focus was accentuated in the mid- to late 1990s by the relatively unusual combination of all but one of the Commonwealth, state and territory governments being Coalition or Liberal. With a dominance of conservative regimes, which traditionally are more pro-market and less socially oriented than Labor governments, there was no policy window for a broader housing focus to emerge. There was, in effect, a policy hegemony that closed down alternative debate.

The related growth in power and influence of central agencies, notably Treasury – historically antagonistic to housing expenditures – has also accentuated a narrow perspective on housing.<sup>16</sup> Reinforcing this process were the ‘new managerialist’ reforms of the public sector in the 1990s, which tended to reduce senior public servants to little more than compliant advisers rather than providers of robust and independent advice. The tendency was to tell ministers what they wanted to hear, not what they should hear. Housing issues which are grounded in structural imperfections of the market or which were created by growing income inequality were off the bureaucratic agenda. Less senior public servants, particularly at the Commonwealth level, have largely become process workers who spend most of their time performance monitoring and administering existing programs, and rarely have time to reflect on the broader outcomes or even relevance of such programs.

Another factor is the unstable policy environment. Frequent organisational and staff changes at both Commonwealth and state levels, and the inherently conflictual nature of the federal relationship in housing, particularly around the CSHA – with Treasury and Finance Departments pursuing more market-oriented agendas – have precluded the development of common beliefs and understandings of issues such as is characteristic of more integrated and stable policy areas. To make the simple point: there is always a Commonwealth Department of Health and of Education, but whether housing has departmental status waxes and wanes with changes of government.

On top of these institutional factors, but interrelated closely with them, is the lack of political leadership. Since the early 1990s most politicians have simply ignored housing issues and the emergent inequality and poverty that is both cause and effect of housing processes – or, more malevolently, have tried to nurture a public opinion in which those who are experiencing problems are seen as victims of their own mismanagement. Housing is now crying out for leadership from a politician or policy influential who, like Oswald Barnett, can raise its profile and create a sense of direction.

In many respects we have gone back to the past. Despite the enormous progress of the post-Oswald Barnett era, we are again losing ground and there is little doubt that many households and parts of our cities and towns are experiencing housing and housing related problems worse than a decade or two ago. We need to confront the challenge and clearly articulate the housing problems of 2001 in order to gain support for the solutions. As the evidence of the 1930s suggests, these problems are not necessarily recognised at the level of public debate even where there is clear physical evidence. Oswald Barnett's approach relied on five key elements in getting them on the public policy agenda:

- Articulation of a clear philosophy to guide the identification of housing problems;
- Redefining of personal troubles into social issues, by broadening public awareness of what housing problems are about;
- Robust social research to identify the nature and scale of housing problems;
- Communication of housing problems to mainstream Australia and to policy makers; and
- Lobbying.

### **A Vision of the 'Good Society'?**

Housing reformers of the 1930s such as Oswald Barnett were driven by a commitment to a fair and just society which was shaped by their Christian beliefs, as Renate Howe<sup>17</sup> and Evan Walker<sup>18</sup> illustrated in previous Orations. Their ideas were also informed by the work of utopian visionaries on the ideal form of housing and cities. Here I have in mind Ebenezer Howard in the United Kingdom and Raymond Unwin in the United States. These visionaries provided intellectual weight to the

reformers' analysis of problems, as well as setting out practical solutions such as well planned and well designed urban areas to replace the slums.

Most Australians, including people in positions of power, in Oswald Barnett's time shared these Christian beliefs, if not the way in which he and others translated them into social action. Today we have a multicultural nation with considerable diversity in religious beliefs. There is no longer a common set of beliefs guiding the vision of the 'good society'. This means that we find it difficult to articulate the role of housing in creating a better society. Faced with diverse and sometimes conflicting views, the prevailing ethos in Australia, at least at a public policy level, has become a mixture of economic rationalism and libertarianism. Economic rationalism emphasises competition and the pre-eminence of markets freed from excessive government regulation and control. Libertarianism emphasises the rights of the individual. The ideal society is thus created by maximising individual autonomy and choice through participation in markets.

This policy and political environment pays little attention to what sustains and creates trust, social obligation and community – that is, the processes that hold societies together – and narrows discussion of social issues to 'blaming the victim'. It ignores social problems unless they can be attributed to failures of the state such as too much regulation, crushing of incentives, inadequate consumer choice and crowding-out of the private sector. In the face of widening income and wealth divisions created by this economic model,<sup>19</sup> there is a deafening silence from both major political parties who have largely been captured by the market liberal philosophy.

Those of us who reject this narrow perspective therefore face the daunting problems of researching and lobbying without an alternative social vision. As a reaction to the economic rationalist/libertarian model, recent years have seen a growth in concern for greater community, for recognition of social capital and for social inclusion, but as rallying points these concepts are still too embryonic. They need greater data either to evaluate their relevance or to provide a vehicle for public policy, and are sufficiently ambiguous that they can also be captured and utilised by those who do not have reformist goals. However, the emergence of these concepts, along with recent voting trends, are positive straws in the wind for those of us who believe that it is possible to have a successful economy without excessive inequality and with values of decency, compassion and citizenship. Some people have labelled the re-emergence of a sense of social obligation and citizenship as the 'new

communitarianism'.<sup>20</sup> Whether this label has staying power remains to be seen, but the important point is that there is growing evidence that many Australians want more than just an economy concerned with the bottom line and a society of self-absorbed individualists.

Faced with the paradox of increasing diversity of personal and religious beliefs but a mantra of economic rationalism/libertarianism at the public policy level, it is often easier for those of us involved in housing policy to articulate what we don't want rather than what we do want. To make any progress, I think that we need to stick our necks out and start a debate about the role of housing in a 'good society'. Housing is more than a symbol of personal wealth and taste, more than a commodity to be bought and sold, more than an investment. Whilst housing means different things to different people, it is central to the wellbeing of people and communities. It can help give safety, security and a sense of belonging. It can provide a setting for the development of personal relationships and the rearing of children. It can offer a place for self-expression and self-fulfilment away from a competitive market environment. For many Australians, particularly the elderly, housing is pivotal in attaining security when no longer in the workforce.

At a more macro level, housing is fundamental to the liveability of our cities and to environmental sustainability, and – by virtue of the stability, security and safety that it can offer – is a contributor to desirable social outcomes in education, health and employment. It is also, contrary to Treasury views, not just a consumption good but a vital driver of economic development and employment. Housing is thus much more than an issue of whether there is another CSHA, of what management reforms we can make in public housing and whether we can create greater affordability.

However, it is not sufficient to merely assert that these things are important – we have to show *how* they are important, and how society and individuals are worse off if they are ignored. We have to form alliances around the acceptance of a broader notion of the role of housing in society and we have to engage in actions which make such alliances real. In other words, we have to change the hearts and minds of the public and politicians about the importance of housing in creating a decent, fair and contemporary Australian society and economy.

## **Broadening the Debate**

Oswald Barnett started with a narrow 'personal pathology' concern about a social problem, that is, alcoholism and moral failings and their effects on babies in the slums. Throughout the 1930s this metamorphosed into a much larger concern for inner Melbourne and its slums, and the need for a large public housing program and better town planning. Despite all his Christian zeal, there is little doubt that if he had remained with his initial concern and pushed for say, alcohol counselling or case management, his legacy would have been considerably less. By attaching narrow issues to a broader one, it potentially gains greater public and political visibility. Similarly, the take-up and acceptance of public housing in the early postwar decades, with local governments actually lobbying for developments in their area, was because public housing was seen as much more than a housing assistance program. Its capacity to drive urban renewal, to create development and jobs, and to address housing shortages gave it broader based support than it now receives.

And that is what we now have to do with housing. Housing assistance for low income households is important, but the evidence from last decade suggests we will get nowhere if we keep the debate around another CSHA and housing assistance. Housing has to be seen as much more. And this is not just for the purpose of political lobbying – housing has to be made more important in order to improve the liveability of our cities and regions to create employment, and to produce better social outcomes in areas of employment and health. A few examples will hopefully illustrate the point.

## **'At Risk' Areas**

The interaction between economic restructuring, labour market change, social security reform and housing market processes is in danger of creating 'at risk' areas of social exclusion, as in the United States and the United Kingdom. Market signals are encouraging the more affluent – the winners in the postmodern economy – to invest in inner urban areas and disinvest in outer areas, where falling real house prices and lower rents are attracting low-end landlords and poor renters. With a decreased local capacity to support shops, contracting retail investment starts a further spiral of decline. On a number of measures – falling real house prices, concentrations of low income renters, crime, low school retention rates, high

unemployment rates – certain parts of Melbourne already show evidence of this.<sup>21</sup> Sydney and Brisbane have equivalent areas, and some regional towns are also at risk of the same fate. Without intervention to rebuild these communities over a ten or twenty year period, they are very likely to slide into becoming social exclusion trouble spots. I would argue they are not there yet, hence labelling them as ‘at risk’ areas rather than as areas of existing social exclusion. Can we rely on spontaneous market processes to turn them around, or should they be tackled by appropriate community interventions of which housing should be at the core? But again, where are the concern, the debate and the mechanism such as the Better Cities program to address this problem?

### **Non-Housing Social Outcomes.**

The greatest advances in addressing disease and illness in the nineteenth century were not made by breakthroughs in medicine. They were in urban and rural infrastructure – in putting water and sewerage into every home, in creating minimum space and construction standards. We have tended to forget this history. But there is clear evidence from the United States, United Kingdom and New Zealand that if you take your eye off the ball and let housing poverty, homelessness and overcrowding back into society, then health problems such as tuberculosis will also return.<sup>22</sup> Health today, however, is not just about basic physical wellbeing. It is also about mental wellbeing, with stress and depression as growing problems. While these may have their origins in the workplace, the compensation of a good house and happy home may have important ameliorating effects.

But insecurities arising from high housing costs, inability to become an owner, potential eviction, sharing to keep costs down or living in poorly located housing may well accentuate such health problems. And similar observations could be made about education. If there is no private place of study, if housing induced poverty precludes the increasingly high fees for education and training, and if new educational technologies cannot be afforded in the home – the digital divide – then housing is likely to worsen educational outcomes. We also need better understandings of the relationship between housing markets and labour markets, and between housing programs and employment programs. Which way does the causal relationship go: can better housing outcomes create better employment outcomes and so on? Linking housing issues with higher profile social issues can create spill-over benefits to the profile of housing, but may also be a very real means of creating better policy.

### *Economic Development*

At a different level, as recent economic experience and the work of the Housing Industry Association has illustrated,<sup>23</sup> housing is a key driver of economic growth and employment – not a waste of investment resources as Treasury, in its myopic way, would have us believe. Yes, there may be too much investment in the turnover of existing housing, but this is different to investment in new housing, new urban development and urban and regional renewal. The approach is not to deter housing investment – the preferred Treasury strategy – but to channel it in ways which are most productive to the economy, to our cities and towns and to individual consumers. Investment in new housing of the right kind – that is, more affordable and more sustainable – investment in the upgrade and renewal of private and public estates and areas that have seen better days, and investment in renovations and additions of obsolete stock generates employment, helps renew the physical and social fabric of cities and towns, places little demand on imported goods and services, and can revitalise local investment in retailing and commerce by reinvigorating the local housing market. What other industries can have such positive spill-over effects?

### *Sustainability*

Sustainability of the environment, economy and society is increasingly a public policy catchword, although Australia in many respects lags behind other advanced industrial societies in putting substance behind the word. There is little doubt that it will become an issue of greater social and policy importance in the coming decade, and housing must be shown to be central to sustainability. However, this means more than just demonstrating the particular energy requirements of different dwelling forms and construction materials. We need to develop, document and promote the ways in which housing relates to sustainability. Do different tenure and housing type arrangements facilitate a greater or lesser sense of community? Does housing market induced spatial segregation affect the sustainability of cities? How sustainable are the 'at risk' areas mentioned above? Will the information revolution in the home improve or worsen environmental and social sustainability? Will increasing 'out of home' activity, in terms of both production and consumption, weaken 'in home' relationships and affect family breakdown? Does greater individualisation and consumerism encourage over-consumption of housing, with large 'monster' homes that have few environmental qualities?

There are no doubt many more questions, but if we are to have a vision for housing it must be one that also fits an environmental vision, and for Australia we need to know a lot more about how to do this.

### *Income and Wealth Distribution*

Australia is becoming a more unequal society. A disproportionate share of the economic gains of the last decade or so have been captured by those who were already wealthy.<sup>24</sup> Neither political party appears willing to acknowledge the trend or to confront its causes – largely because they rest with the policies that both Labor and Liberal have implemented and because any attempts to address the problems will offend the big end of town, the IMF, credit rating agencies and the World Bank.

Housing processes are part and parcel of this inequality. The labour market and the housing market appear to be working in a symbiotic way to ensure that those who have the most get even more. Looking at the spatial pattern of capital gains in Melbourne, for example, Burke and Hayward found that suburbs that had a 30 per cent real increase in incomes over the last decade also had real capital gains of up to 70 per cent, and those areas that had only marginal increases in income had negative capital gains.<sup>25</sup> The parallel growth of homelessness and of monster residential homes of 30 plus squares that have no real function other than status takes us in many respects back to the inequalities of the nineteenth century.

In a country that has a history of fairness, one senses that such inequality will increasingly become a political burden, forcing governments to adopt more progressive policies. The role of housing in creating and reinforcing inequality and the social costs of such is a mechanism both for raising the profile of housing – although in a negative way – and for effecting policy reform; governments may find that appropriate housing policies are a palatable and politically acceptable instrument for achieving a fairer society. The lesson here is that we should not only be jumping up and down about the increasing inequality in Australia generally, but making housing a central part of any protest.

These examples are not so far removed from Oswald Barnett's context. He, too, was concerned about investment, making cities more liveable, addressing 'at risk' areas and using housing to achieve broader social outcomes. The labels we now put on

these processes are different, and what we might expect from policy reform is at a different level, but the underlying assumptions and philosophy are the same. Housing is a 'big picture' issue, and about much more than just housing assistance. We need to get back to seeing it in this way.

### **The Importance of Social Research and Advocacy**

One part of this process is that we need good social research to substantiate what the problems are and how effective current policies and programs are in tackling these. Social research in the 1930s was in an embryonic stage. This meant that almost any research, however basic, could get attention – and Oswald Barnett's was better than most. His survey research for his Master of Commerce degree and that of the Housing Investigation and Slum Abolition Board of which he was deputy chair, by virtue of its very existence, almost guaranteed public visibility. It was this visibility that influenced the hearts and minds of both the public and policy makers.

Today social research is enormously sophisticated, varied in its disciplinary approach and methodological base, undertaken by many agencies inside and outside governments and has to conform to certain orthodoxies in methodology and language to have legitimacy. Since the 1980s its agenda has been shaped increasingly by government bureaucracies and commercial consultancy firms. It is the piper who calls the tune. In last year's Oration, Graeme Davison called for a revival of the tradition of independent, voluntary, empirical and morally purposeful social inquiry, noting sadly that this was unlikely to be found in the universities.<sup>26</sup> The new Australian Housing and Urban Research Institute (AHURI) has enormous potential and has few parallels internationally but, being funded by government, is potentially at risk of a narrowly conceived research agenda and also of the control that was sometimes manifested in its predecessor, the Australian Housing Research Fund. The challenge for AHURI management is to resist such pressures.

Research is one area where the churches and other non-government organisations can, and do, have an important role. While their funding capacity for research may be limited, they have the advantage of autonomy and legitimacy. They are not subject to control by government and in an era where many institutions have declining public respect – not least of which are politicians and governments – they have a certain amount of credibility. The research need not be highly sophisticated to have its effects. New funding for universities which encourages more applied industry focused

research, that is, ARC innovations grants, should be explored for their capacity to enable joint research with non-government organisations.

Oswald Barnett didn't just carry out research for it to languish on a government official's desk – he used it to inform his particular type of lobbying and social action. He had one important advantage of a great degree of independence in his work. Today we have no such luxury. Funding bodies, particularly governments, seek to control the research agenda and often the results. This applies not only to commercial firms, but also increasingly to academics and community organisations that are required to produce a product to meet the needs and often the expectations of the funder. This type of pressure may be intensified when research is conducted by community organisations that are also funded to provide programs. There are many unresolved issues about intellectual property, publication rights, use of data and right to engage in public debate which Oswald Barnett and his colleagues did not have to face.

The constraints on using research for lobbying and social action today compared to Oswald Barnett's days are considerable, and we need to be alert to these in order to be able to deal with them. Firstly, there are some issues which governments do not want to think about and will not commission research on, most notably, wealth inequality and the role of the housing market therein, the role of the current tax regime in creating or accentuating housing problems, or in many cases evaluation of their own housing program (how well is rent assistance working, for example), and homelessness amongst refugees and those breached by Centrelink. This is where there could be a role for independent research, with non-government organisations taking a lead.

Secondly, to be credible to policy makers, research findings are often written using the terminology of the new managerialism and are neither accessible nor readily communicable to ordinary people. Researchers – and lobbyists, too – fear that otherwise they will have little credibility and thus drift into the language of accountability, transparency, capability, contestability, capacity, linkages, place management, social capital and whole of government. This is the language of elite groups, as the Canadian philosopher John Ralston Saul reminds us.<sup>27</sup> Ordinary people do not use it, which in part explains the difficulty in getting awareness of housing problems in mainstream Australia. Oswald Barnett was not so constrained,

producing populist and polemical pieces written in language that lay people could understand and relate to.

Thirdly, given the enormous proliferation of research for social reformers and social reform agencies, it is difficult to get publicity for their research. Even if they do, there will always be another group that will offer a counter-position, either because they are funded to do so or for ideological reasons. Oswald Barnett, by contrast, was able to use the media to great effect, enlisting the support of Keith Murdoch and the *Herald* for his slum abolition campaign.

Fourthly, there are areas where we already have detailed research but this is then ignored, forgotten or, even worse, denied in the face of considerable evidence. I am thinking here of indigenous people who have the worst housing of any section of our community but whom segments of mainstream Australian perceive to be particularly advantaged. We often leave indigenous activists to get this message across by themselves, rather than accepting some responsibility to support their lobbying and social action.

Fifthly, there has emerged a whole industry in research where private consultants, particularly the big international management consultants, see it as just another profit segment to be exploited and where normal business practices operate, that is, maximise the revenue and keep the costs down. Like privatised electricity utilities, banks or airlines, they are not driven by any community service obligations or sense of making a better society, although there will be the exceptions. And because they are motivated by profits, there is a tendency to be uncritical and to provide what the client requires – after all, they want the next job. The dilemma is that governments are arguably getting less and less robust policy research as they become more and more committed to private consultancy research, and they can always commission some compliant research to nullify any empirical research that counters their policy direction. Although often protected by ‘in confidence’ provisions, where possible such private consultancy reports should be subjected to rigorous scrutiny and appropriate criticisms.

The point of this is to remind us that research is not some apolitical exercise where rich empiricism and the sheer quality of a report will sway the views of politicians and policy elites. Research today is a highly political process and must be recognised as such. This does not mean that good research should not be done. Certainly we need

more, but it means that the tabling of a research report is just not enough. A political game has to be played to get it onto the policy agenda. This means, and here we can again go back to Oswald Barnett, a process of:

- Getting findings into the media and other populist outlets;
- Writing in a language that captures and informs, instead of obscuring and mystifying; and
- Backing the research with a lobbying process.

Beyond these actions we also need:

- To develop other sources of funding outside of government, such as philanthropic trusts, local government, independent research institutes, trade unions, industry associations and postgraduate researchers working with community organisations; and
- To build on and make better use of the internet and other new communication technologies.

### **Out of the Policy Vacuum**

There is currently what can only be described as a policy vacuum in Australia, despite real evidence about housing problems in our community. We are not alone in this. Many Canadian and United States commentators, for example, also talk about a policy void, and no doubt for a similar reason – market liberal or economic rationalist societies have created an institutional and intellectual climate which is hostile to social reform and to policies and programs that hark of fairness, decency, citizenship and community.

Australia, like these two other countries, has narrowed the housing focus to safety-net assistance and homelessness strategies. This is not to deny the need to develop a holistic approach to homelessness and to devote resources to various types of housing assistance. The danger, however, is that this defines the housing problem as one affecting only the most residual group, and sees individual lifestyle choice, addictions and personal behaviours as the causes of housing problems – the ‘blaming the victim’ culture that Oswald Barnett confronted over half a century ago. As he learnt on his personal journey, it is vital to understand and develop policies that address the structural problems underlying both homelessness and housing problems more broadly. We thus need to develop an alternative vision and an

alternative housing policy, rather than merely reacting to what is happening at the moment.

### **What Will We Need to Achieve This?**

Firstly, we need to capture back from the economic rationalists control of what represents a good society. We need to assert the need for trust, decency, compassion, fairness, citizenship and community as social goals on a par with efficiency and competitiveness – and we need these terms to have substance, not used by spin doctors to often mean the very opposite, for example, cut funds and blame the victim. Unless we know what sort of society we want, we cannot say with any confidence what sort of housing we want.

Secondly, we need to tackle the popular view of Australia as a high-tax country with a need for tax cuts. The low-tax policy agenda has all the trappings of the eighteenth century monarchists in pre-revolutionary France manoeuvring and propagandising in order to protect the privileges of the wealthy. Australia is one of the lowest taxed advanced industrial societies. Compared to others, it simply does not have the revenue to provide the social infrastructure, including housing programs, that any civilised and fair society should have.<sup>28</sup> We can no longer afford decade-long debates and reports designed to extract more efficiency out of an already dying housing system. To resolve the housing problems confronting Australia, we simply need more revenue. This means incessantly challenging the low-tax lobby that has taken control of the public finance debate.

Thirdly, we need to throw away some baggage from the past in terms of ideas and tribal affiliations around housing. We should not cling to the security blanket of the CSHA unless we can convert it into a framework for providing a national housing policy. We need to move beyond the ‘personal subsidies versus capital funding’ dichotomy that helped bring down the housing reforms of the mid-1990s and accept that they both can have a role to play. We need to move beyond dualism between public and private rental and talk about ways of ensuring a supply of affordable housing in a more integrated rental sector, with a variety of means of management and funding sources. We need to move beyond the divide between public and community housing and look at a range of ways of providing and managing *more* social housing. We need to move social housing in new directions whilst recognising the achievements of the past. The Office of Housing’s recent Social Housing

Innovations Project (SHIP)<sup>29</sup> is a good step in this direction. But, as outlined earlier, we need to broaden the debate to include issues of urban and regional development and redevelopment, liveable and sustainable cities, housing as an engine for economic growth and employment, and housing as a core component of achieving better educational, employment and health outcomes. And the more we broaden the range and scale of the housing and housing related issues we have to deal with, the more we need to recognise that single agency solutions or initiatives – whether government, non-government or private – are going to be limited in their effect. We thus need more public-private partnerships.

Fourthly, and flowing from the former, we need to build alliances and coalitions. The Housing Industry Association (HIA) has been the first to step into the policy void and has proposed its own comprehensive national housing policy.<sup>30</sup> While we might contest some of the specific recommendations, this important document does outline the need for broader based thinking which places housing at the centre of Australian social and economic wellbeing, which sees housing as more than homelessness and housing assistance for the very neediest, and which recognises the need for a more proactive role by government. Some local governments have developed their own housing policies. Peak housing and welfare groups have their own range of policy proposals. Some church communities are active and others want to become active in this area. Importantly, many ethnic groups historically – and currently – have confronted severe housing problems and have created their own unique responses and solutions. They need to be more effectively drawn into any coalition. In short, we need to learn to discuss and negotiate with others across a range of religious, political and other views if we are to develop a coalition of interest united around housing reform and the need for a comprehensive housing policy.

Fifthly, we need a campaign to convert this consensus of views and good intentions into action. Building alliances and coalitions is a starting point, but there is then a need to communicate these views and ideas to politicians and to policy elites. This may mean creating a formal coalition for a national housing policy, with spokespersons and a powerful voice. Hopefully a leader can be found to take on the role of a contemporary Oswald Barnett, chipping away at the politicians with ideas and galvanising public support.

Sixthly, we need to make housing a local issue. History would tell us that governments are reactive to populist movements, and most populist movements have a local base. Housing assistance, residential planning and affordability are issues in the abstract for most people unless they can relate to them and understand them at the local level. The lesson here is that more lobbying and political action should be focused on local government and local media to raise the visibility of housing above dinner-party debates about how much house prices rose last week. In the longer term, programs should be designed to encourage awareness of, and involvement in, housing at the local level.

Finally, we need to identify the 'we' who are going to do this. I have said a number of times that we need leadership, we need ideas, we need research and we need critical analysis. I would like to think that governments and oppositions of their own volition could take up the leadership role, at least in terms of providing an environment that opens up policy debate. While there will be exceptions, the legacy of the last decade or so suggests that the preferred risk management strategy of political parties is to limit policy debate to narrow and safe areas. They will have to be pushed, encouraged, threatened and otherwise facilitated to ultimately take up the housing challenge.

This brings us back to the need for alliances, coalitions and effective lobbying arguments and mechanisms. It would be remiss in an Oration sponsored by Ecumenical Housing and in memory of a Christian reformer not to point out that the church itself – through the Council of Churches and its own practice, for example, the work of Ecumenical Housing – has an important leadership role to play. If the church cannot see that this issue is important to the wellbeing of Australians, why should we expect governments and the general community to do so?

We can do all this if we go back to the basics: clear articulation of the role of housing in a 'good society', robust and reliable research, effective lobbying and social action and, lastly, coalition building. Oswald Barnett in the 1930s and 1940s showed us how a combination of these approaches can lead us out of a policy vacuum and put housing back on the public policy agenda. But what should we be aiming at in all this?

A starting point is the acceptance of some broad guiding principles around which a national housing policy could be built and which signal a more active role for government. The basic premise underlying these principles is that Australian public policy should be designed to achieve a society which is more equitable, is a strong and participative democracy, and is internationally competitive but environmentally sustainable. Public policy – and thus housing policy – is not just about creating a low cost market economy. Principles of a national housing policy could include recognition that:

- Adequate and affordable housing is a right of all Australian households;
- Housing outcomes are central to improved living conditions for all Australians and are important in achieving good employment, education, health and family wellbeing outcomes;
- Housing has important implications for the form, quality, equity and environmental sustainability of our cities, towns and regions;
- It is important that we have an efficient and effective process of housing production and land development;
- Housing is a key industry and has significant employment and investment implications;
- Housing is central to strong communities and families;
- Housing needs and outcomes vary spatially, and must be planned for and managed accordingly; and
- Housing needs will vary across the life course of families and individuals.

These principles acknowledge that housing policy is about more than just providing housing for the very neediest – it has implications for the lives of all Australians, it has a spatial dimension which needs policy attention, it involves connections with other key areas of public policy and market behaviour, and it is a dynamic issue that changes over time.

Obtaining acceptance of a set of principles is just a beginning. If we are not careful, such principles can easily slide into the slick and shallow rhetoric that characterises the mission statements of many private firms and government departments. Giving substance to them involves a set of actions which will facilitate their attainment. The first is to have an agency or national portfolio responsible for a national housing policy and program. The HIA recommends a Commonwealth agency for Housing, Infrastructure and Regional Development. I would prefer the name of Housing,

Community and Regional Development to give it more of a balance between social and economic development, although urban and regional infrastructure would still be part of its remit. The 'community' banner would be the lever for giving the department a 'whole of government' focus. I would also support the HIA's call for a peak housing council which is representative of government, industry, and academic and research organisations, but would also add union and community representation. This Australian Housing Industry Council would have sub-councils on specific issues, with membership drawn on an 'as needs' basis.

Economic rationalism has created its own unique institutional structures built around principles of competition and marketisation. In some areas these have worked relatively well; in other areas – and housing is one – they set us on the path to a crisis. Thus the next step would be to create a more effective set of levers and institutional structures than we have at present to give the private sector, housing agencies (public and community) and the different levels of government the ability to create outcomes which are consistent with the national housing principles and which recognise housing market diversity. This means going well beyond the CSHA for solutions and looking to create greater flexibility in the tax system, more targeted use of government charges, more imaginative and broader use of planning acts, reforms in housing finance, and the creation of new organisational arrangements and structures to deliver new programs and encourage innovation. For reasons outlined earlier, the initiative for such reforms is not likely to come from governments concerned with process rather than outcomes, and with short-term electoral gain rather than long-term national interest – hence the need by those external to government for sustained lobbying and for generation of ideas as to what a more relevant institutional environment would look like.

It is important to recognise that Australia is a market economy and that any levers should not dampen private investment or market innovation. Rather, the idea is to either lever more out of the market or to change the distribution without affecting the overall level of activity. This is premised on the assumption that the market is sometimes imperfect and will not necessarily produce outcomes in the best interests of the community, or even of the market itself. The appropriate response is not to stultify the market, but to give it the incentives to meet community needs. On the other hand, it is equally important not to stunt the capacity of governments and non-government organisations. Thus, further reductions in tax or government charges must be resisted, although we should consider changes in their mix and form.

Outlining these in any detail is beyond the boundaries of this Oration, but is set out in the appendix. At this point, the task is simply one of conclusion. To assist me in this, I went back to previous Orations and emerged out of this review both dispirited and invigorated. Most of their conclusions were essentially rallying cries for action, for reviving housing as a policy issue and pointing out ways in which we can do this. But, although the Orations trace back to 1994, housing policy has not progressed and housing problems have got worse. Why should what I say be any different? This was what dispirited me. In ten years time we could face a situation of even further deterioration in housing conditions, with yet another Oswald Barnett Orationist making the clarion call for reform. But I was also invigorated. In all these past Orations was the legacy of Oswald Barnett – decent people imbued by values of citizenship and fairness, with a broad understanding of the causes of social problems and a commitment to reform – and what invigorated me is a sense that this is what Australia as a whole represents and wants. The signposts in the community suggest that most Australians do want a cohesive, fair society with high quality and accessible services and that we are not a society which values meanness, leanness and mindless individualism. These signposts will hopefully lead us – but not without struggles – down the road to a new and invigorated housing policy where housing, just as Oswald Barnett saw it, was at the centre of stable families, liveable cities and towns and a decent society.

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