

**Submission
No 41**

**INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE
HOUSING**

Name: Mr Paul Bacon

Date received: 25/02/2014

February 25th 2014

Social, public and affordable housing (Inquiry) Committee

Dear Committee Members,

Your consideration of the following would indeed, be appreciated.

Thank you.

re the Proposed changes to Strata Title Legislation, specifically:

COMPULSORY DEVELOPER ACQUISITION (CDA)

Some of the other proposed changes are **very constructive** e.g. Parking, Personal Liability, Quorum, Smoking, etc...

CDA however, is not.

If CDA is approved I can be dispossessed of my property by vested interests i.e. evicted from my home by forced sale through the agreement of only 75% of owners, rather than the 100% currently agreement required.

I purchased my Strata Unit [100% of it not 75%] so that I could **get out of the rental market**.

I needed **secure tenure**.

Lack of secure tenure was becoming increasingly stressful and financially unviable [**rent is dead money**].

CDA would mean the destruction of secure tenure and the creation of :

permanent insecure tenure

i.e. even if after CDA another suitable Unit was found, it also, would be vulnerable to CDA. Pensioners and other low income groups tend to be able to afford mostly older style Strata, the target of CDA.

2.

Also, purchasing a home is a stressful, complex and time consuming process. Even if a suitable and **affordable** Unit can be found, it does not necessarily mean it can be purchased. A vendor may accept an offer from a competing buyer.

This would mean returning to the rental market.

CDA would also mean **decreasing affordable access** to the rental market for **Pensioners and other people on low incomes**.

Developers would **not** be purchasing older style strata units, in the interest of pensioners and other low income groups in the Community.

Developers would be catering to higher income home buyers and renters, seeking modern and much more expensive units and apartments.

This would be damaging to the community in terms of **less affordable housing**, financial hardship as savings are drained by rent, transport and storage costs (if suitable housing can't be found) massive disruption, dislocation, the chaos of moving and the cost of emotional distress which is beyond calculation.

Especially for an elderly person who needs secure housing more than ever. As do people with disabilities, low income and other disadvantaged groups.

Charmaine Crowe (Senior Policy Advisor) of 'Combined Pensioners and Superannuants Association' has pointed out that:

"Older people tend to live in older buildings so this reform will be skewed to disadvantaging older apartment owners" (1)

First home buyers may already be committed to a mortgage which is much more (including massive interest) than a CDA payout.

The Coalition Government of NSW (CGNSW) would then expect Charitable Organisations - doing such magnificent work for the community but already overburdened - to assist people struggling with housing and other issues as a consequence of CDA.

Tania Mihailuk M.P.(Bankstown) and Shadow Minister for Fair Trading is concerned for those at risk of CDA.

She is seeking assurance from the CGNSW that it will not force homeowners owners to sell. (2)

Charmaine Crowe has stated of CDA:

"All it will do is kick people out of their homes in the name of making life easier for developers" (1)

3.

With respect, the purpose of CDA is to exponentially increase Developer profits - and to benefit their associates.

David Shoebridge MLC has observed that:

“...the use of developer-paid private certifiers to assess and approve the majority of developments” would be expanded. (3)

Charmaine Crowe has asserted that ‘the NSW Government was pandering to the developer lobby by proposing to remove the unanimous agreement rule which ensures security of tenure for all homeowners in strata buildings’. (1)

With respect, the genesis of CDA is from within the Developer lobby, with the support of the CGNSW, the Liberal and National parties of which, benefit financially from Developer sponsorship.

CDA epitomises CGNSW commitment to the wealthy and the corporate sector.

Even to the extent of funding wealthy overseas home buyers and corporations who are **not Australian citizens**, with **NSW Taxpayer’s money** via First Home Buyer Grants of **\$5000**.

An Editorial in ‘The Telegraph’ stated that the effect of this is:

“...boosting the cost of Sydney properties and making them less affordable to local buyers.” (4)

NSW taxpayers are subsidising:

“...wealthy international investors who in many cases won’t even occupy the properties they’ve bought” (4)

Investors, who in many instances:

“...already own multiple properties” (4)

Such is the bias of CGNSW.

With respect, a bias clearly demonstrated by the CGNSW Fair Trading Minister who actually **supports** the **unfair** CDA proposal!

Tania Mihailuk rightfully points out that Fair Trading Minister, Anthony Roberts ‘had shown the utmost disregard for homeowners’. (2)

CDA is an abuse of Property Rights.

4.

CDA appears to also be a breach of U.N. 'Universal Declaration Of Human Rights'.

Article 17 declares that:

“ . (1) Everyone has the right to own property...
 . (2) No one shall be arbitrarily deprived of...property” (5)

Inherent in the right to own property, is the right to **choose** whether or not to sell it.

Deprivation of property by vested interests for **financial gain** is not in accord with (1) or (2).

With respect, the CGNSW when in Opposition, did not inform voters of it's intentions re CDA during the 2011 NSW election campaign.

However, on March, 28th, 2015, the next NSW election will be held and Glenn Miller isn't the only one who swings...

The swing against the Liberal Party in the October, 2013 Miranda by election was a record 26% - in a 21% margin seat.

The swing was due in part to reports of:

“...favours allegedly done by members of the Liberal-controlled council to developers and others with party links.” (5)

Although ICAC (Independent Commission Against Corruption) decided not to investigate, “...Labor councillor Phil Blight said ICAC did not have the resources to carry out every investigation that was warranted...” (6)

The CDA component of Strata change is deeply disturbing.

CDA would not be in the interest of affordable housing - or democratic process.

David Shoebridge has stated that it would:

“Take the democracy out of planning by removing elected councilors from decision making on most developments”

I respectfully request that CDA be rejected

Again, thank you so much for your consideration of this submission.

Paul Bacon
Member: Chapel By The Sea Bondi

5.

cc's sent:

Tanya Mihailuk M.P. [Shadow Minister for Fair Trading]
David Shoebridge M.L.C.
Combined Pensioner's & Superannuants Association
Torch Publishing
Reverend John Queripel [Chapel By The Sea Bondi]
National Council Of Churches In Australia
ABC

cc's pending:

U.N. Committee On Human Rights

References

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2. 'Think twice before live in a strata': Op. Cit.
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4. 'Time to exclude foreign investors' The Telegraph, 4.2.14, p.22
5. www.un.org/en/documents/udhr
6. 'ICAC Clears Council' Murray Trembath, St George & Sutherland Shire Leader, 5.12.13, p.1