

## Economic Development and Other Legislation Amendment Bill 2024

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Committee Secretary  
Cost of Living and Economics Committee  
Parliament House  
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Dear Committee Secretary

## **ECONOMIC DEVELOPMENT AND OTHER LEGISLATION AMENDMENT BILL 2024**

This submission sets out Q Shelter's input to the draft Economic Development and Other Legislation Amendment Bill 2024 (the Bill).

### **General principles**

The current housing context presents significant challenges because there is not enough supply to meet current needs. In addition, Queensland's population is growing at an exponential rate, which puts even further pressure on demand. As a result, access to affordable housing options is made even more challenging for people on low-moderate incomes, and progressively, many more population groups, increasing the rates of people experiencing, or at risk of, homelessness.

Q Shelter has had input to various engagement processes led by the Queensland Government to outline a set of recommendations for housing policy, investment, and reform. We welcome wider reforms and recent announcements by the State Government, and we are firmly of the view that a primary objective is to achieve a 'healthy housing system' where supply adequately meets demand.

Economic Development Queensland (EDQ) is a vital tool in our view and important in the delivery of more housing supply across the state including new social and affordable housing. We have recommended the need for greater capacity and speed to deliver housing supply through appropriately structured state agencies with the remit to deliver housing and to succeed through to implementation as quickly as possible. The changes proposed as part of the draft Bill are welcome by Q Shelter because they seek to improve EDQ's capacity to deliver on housing supply and diversity which is consistent with our overall advice leading up to and since the Queensland Housing Summit in 2022.

### **About Q Shelter**

Q Shelter is a peak body working to ensure every Queenslanders has a home. We advocate for policy and investment solutions, while also working to build system capacity to deliver those solutions. Our members consist of Specialist Homelessness Services, Community Housing Providers, private sector entities, other peak organisations, local government representatives, academic institutions, wider human services, and interested individuals inclusive of people with lived experience of unmet housing needs and homelessness. We have an extensive network of 6000 subscribers throughout Queensland, and we work with 17 regions through a network of regional representatives.

We draw our mandate from members and stakeholders working to end homelessness and achieve enough housing supply and diversity to meet the community's needs. At present the level of demand for housing and support is unprecedented. Building system capacity to deliver housing targets inclusive of social and affordable housing is critically important which is why we welcome these reforms.

## **About community housing providers**

Community Housing Providers are distributed across Queensland and deliver place-based and integrated housing and support solutions as part of local service systems.

Community Housing Providers are also:

- Regulated under the National Regulatory System for Community Housing (NRSCH)
- Decentralised with a significant regional footprint
- Connected with local support services to achieve sustainable tenancies
- Delivering 11,000+ homes to vulnerable Queenslanders
- Contribute to place-making, good design, and significant local community engagement
- Deliver substantial housing outcomes to households led by people who identify as First Nations Australians
- Primed for growth, as evidenced by recent submissions from Queensland CHPs to develop, build, and deliver at least 4000 homes through HAFF funding.

Funding opportunities for Community Housing Providers in Queensland have been severely constrained until recently. When funding began to re-emerge in 2021 through QHIGI, the focus remained exclusively on social housing rather than a mix of social and affordable housing tenure, which better supports sustainability and housing portfolio growth. These, and other policy settings in Queensland, have constrained growth because of the lack of investment in the industry through capital funding, stock management rights, long-term leases, and contractual arrangements that have prevented third-party debt financing. Slow procurement processes in Queensland have also been identified as a barrier to speed and delivery, and a cause of cost increases and project delays. Q Shelter sees this Bill as helping to remedy some of the historical challenges to growth by creating a new pathway underpinned by a framework designed for speed and agility, in areas that the State Government has already declared as Priority Development Areas (PDAs).

It is important to note that community housing industry capacity is growing evidenced by the level of engagement with current funding opportunities such as QuickStarts, the HIF, and HAFF and government investment in programs such as Community Housing Futures (delivered in partnership by Q Shelter, Community Housing Industry Association Queensland and Aboriginal and Torres Strait Islander Housing Queensland). While the Queensland Government, under its new 'Homes for Queenslanders' plan has promised a finalised and streamlined Master Agreement, and longer-term leases on State-owned assets, the sector believes there is still scope for a much more considerable role in the further delivery of housing targets, through CHPs.

Community Housing Providers in the not-for-profit sector are uniquely placed to deliver both social and affordable housing in perpetuity. Recent policy examples such as the National Rental Affordability Scheme (NRAS) demonstrate the limitations of offering time-limited subsidies for housing at a discount to market rent. The need for this housing persists even though the subsidies end. This has caused homelessness and housing stress for households with significant vulnerability, including age and disability.

For that reason, we strongly recommend a framework that clearly commits to working with CHPs to achieve the growth of social and affordable housing, in perpetuity, through the arrangements and mechanisms proposed in this Bill.

### **1. EDQ's corporate structure and functions**

The changes relating to EDQ's corporate structure and functions are supported by Q Shelter because they seek to achieve agility and speed in response to market conditions while ensuring adequate safeguards through overall accountability to the Minister and a new skills-based board.

Q Shelter supports EDQ's removal from the Department of State Development and Infrastructure to allow it to be more agile and respond quickly to market circumstances. Community Housing Providers are particularly aware of the impact that time delays are costing in terms of growth projects and property



acquisitions. As a corporation sole, operating as a non-departmental statutory body, the proposed new structure retains appropriate accountabilities while allowing for speed.

Q Shelter is strongly supportive of the appointment of a skills-based decision-making board accountable to the Minister. This provides additional capability and capacity to achieve strategic objectives and outcomes in a timely way. We do advocate that the board will also need to include skills in the growth and provision of community housing, inclusive of social and affordable housing, given the proposed new remit of EDQ.

## 2. Responding to Queensland's housing challenges

This Bill creates an additional pathway for Community Housing Providers to achieve growth and therefore capacity and sustainability through greater scale and partnerships with developers and EDQ.

We believe, the proposed legislation will help EDQ deliver on its remit to drive new and diverse housing supply, including social and affordable housing.

Specifically, Q Shelter supports the following:

- Amendment of the main purpose of the Act to include the provision of diverse housing including social and affordable housing.
- Amendments that enable EDQ to enter into agreements with third parties like Community Housing Providers, to deliver social and affordable housing projects. Q Shelter welcomes this as an alternative pathway for Community Housing Providers as they work to scale up their operations and achieve multiple growth projects across the State. As has been achieved in most other states and territories, across Australia.

Speed is critically important, and these provisions create an alternative pathway for negotiating partnerships to deliver supply. Currently, only the Department of Housing, Local Government, Planning, and Public Works can enter into third-party agreements for the supply of social and affordable housing, and this is limiting. Given the number of levers available to EDQ, it is critical to speed and agility that they have a direct relationship with Community Housing Providers. Importantly, the role and scope of PDAs and Place Renewal Areas in achieving high-amenity, integrated precincts, and regions will help to locate community housing within a broader set of strategic objectives. We support the most direct relationship possible between EDQ and community housing providers, as indicated earlier in our submission.

- Q Shelter supports the ability of EDQ to condition social and affordable housing within development conditions of PDA projects (and for the option to provide a financial contribution as an alternative to housing development). We understand the need for flexibility in the delivery of any inclusionary zoning style approaches (as stated in our previous [submission](#) on the Planning (Inclusionary Zoning Strategy) Amendment Bill 2023).

We understand there is a range of funding mechanisms to support implementation and we reiterate the critical importance of the supply of social and affordable housing portion. The role of EDQ in facilitating the inclusion of these forms of tenure in areas of strategic significance, with amenity, is critical to the delivery of the Queensland Government's Homes for Queenslanders plan and to the prevention of displacement and concentration of people with lower incomes in less advantageous areas.

- Q Shelter supports Place Renewal Areas and EDQ's role in leading coordinated and integrated urban renewal, through a place renewal framework.

Facilitating government, community, and industry stakeholders to deliver strategic outcomes including housing outcomes is important to future capacity. Q Shelter is aware that stakeholders in a variety of regional locations are identifying the need for this type of facilitation. A



coordinated approach to partnerships to achieve renewal and housing supply is necessary to achieve planned outcomes that address significant unmet needs. Given the role of EDQ in achieving social and affordable housing targets, this becomes an additional mechanism for ensuring that Community Housing Providers are engaged and involved wherever possible.

### 3. Social and affordable housing definitions

We know that the involvement of Community Housing Providers in the delivery of affordable housing, in addition to social housing, helps to build the sustainability of their financial models and delivers a more diverse and contemporary housing product mix to the community. The funding relationship with CHPs to deliver affordable housing is a clear way to build scale and capability. However, we remain concerned that the lack of a clear definition for 'Affordable Housing' could see opportunities for Community Housing Providers to play an optimal role in delivering to low-moderate income groups, diminish.

Specifically:

- We are concerned that the lack of certainty about the definition of affordable housing is a risk to the delivery of Homes for Queenslanders if other partners or providers are not willing or able to deliver affordable housing to low-middle-income earners in perpetuity. Community Housing Providers are the best legal entity structure to achieve these results with reinvestment of assets for social and community housing over time. As such, we urge funding arrangements that increase the assets under ownership or long-term management by CHPs in Queensland.
- Definitions of affordable housing are particularly important in this context because, in high amenity areas, a 'discount to market rent' approach may not be accessible or affordable to people on low-middle incomes.
- We note the definition is within the Regulation, and there will be opportunities to update this as a more consistent view is formed between government and industry, around planning, policy, and funding programs.
- We also note that the legal framework for delivering social housing remains consistent in the Housing Act 2003 and we consider that capital funding agreements for social housing can protect the state interests and investment, without limiting ownership to the State.

### Further contact

We appreciate the opportunity to have input to this draft Bill. We would also welcome any further opportunity to provide feedback if required. Q Shelter can be contacted at any time through the Manager of Policy & Strategic Engagement, Jackson Hills ( ) or myself ( ) / ( ).

Yours sincerely



Fiona Caniglia  
Executive Director