

## SPECIAL ISSUE: FEDERALISM

# Housing in a Federation: From Wicked Problem to Complexity Cascade?

James Walter and Carolyn Holbrook  
*Monash University*

*The Commonwealth's periodic attempts at housing and urban policy reform since the 1940s have been made in the face of a federal structure that allocates responsibility for such matters to the states. This paper explores the experience of federal governments since the 1940s, considering the various styles of political leadership, varying ways in which the problem has been framed, and differing policy settings that have been employed in resolving policy challenges. The historical narrative clarifies phases of active engagement and reaction, linking these to fiscal asymmetry and distribution of federal–state responsibilities, historical 'gateway' events, and transitions in policy paradigms. We argue that housing is a perpetual concern (both a basic need and an aspirational objective) and is so integrally related to other policy domains—in which decisions may have unintended consequences for housing—that it is never conclusively resolved. The complexity (and uncertainty) consequent upon these inter-relationships ensures that housing remains a wicked problem. The visual metaphor of a complexity cascade, however, may assist a more nuanced appreciation of the direction of policy travel.*

**Key words:** *housing, federal–state relations, policy domains, wicked problems, complexity cascade*

Malcolm Turnbull became prime minister in September 2015, having successfully challenged Tony Abbott for the leadership of the parliamentary Liberal Party. One element of his appeal to the people after the challenge was a claim that urban reform was essential to Australian prosperity. Hence, in refashioning his ministry, he appointed Jamie Briggs to a new portfolio of Cities and the Built Environment, 'to develop a new Australian Government agenda for our cities in cooperation with States, Local Governments and urban communities', arguing:

Liveable, vibrant cities are absolutely critical to our prosperity . . . that is where most Australians live, it is where the bulk of our economic growth can be found . . . Federal funding of infrastructure in cities . . . is tied to outcomes that will promote housing affordability. (Turnbull 2015)

We cannot yet assess whether this initiative will produce real change or be simply an evanescent moment of progressive optimism soon to be terminated by the dries in Turnbull's party, Treasury scepticism, or electoral defeat. There are, nonetheless, four noteworthy elements about this intervention. First, it portends another chapter within a historical pattern of Commonwealth vacillation about engagement in, or disavowal of, a role in housing policy. Second, it promises yet another iteration of 'new federalism' with implications for federation reform because it will mean nothing unless Turnbull can marshal the federation to his cause. Third, it seems to depart from concern about any expansion of the Commonwealth role signalled by the previous coalition ministry under Abbott. Fourth, in taking this route, Turnbull is at odds not only with his predecessor but also with previous Liberal leaders, for as we will see

active engagement in this domain has primarily been instigated by Labor governments.

In early 2015, prior to Turnbull's ascension, the Commonwealth government released a green paper about reform of the Australian federation, in anticipation of the publication of a white paper in the latter half of 2015. Among the issues included in the discussion paper was that of housing policy. The paper acknowledged the responsibilities of both Commonwealth and state governments for aspects of housing policy and the extent to which housing is enmeshed with issues such as immigration, financial regulation, urban planning, and taxation (DPMC 2015: 76). It argued that the growing problem of 'housing stress' demanded that different levels of government co-operate to reduce duplication and improve co-ordination, integration of services, and accountability. Among the options for discussion was one transferring full responsibility for housing policy to the states (DPMC 2015: 86), an option that to judge by some comments by senior members of Abbott's Cabinet might have been their preference (see further below).

Although the 2015 green paper recognised the widespread problem of 'housing stress', its overwhelming focus was on the reform of services that affect low-income households and homeless people; groups that increasingly rely on social benefits for their incomes (DPMC 2015: 79–81). There is a striking disjunction between the green paper's rhetoric of service delivery, duplication and blame shifting, and the thrust of current debate about the housing crisis, which concerns the cost of real estate and rents for wage-earning Middle Australia. Housing affordability would come to trouble Abbott's treasurer, Joe Hockey (see below), and was one of the points Turnbull emphasised in his reference to 'liveable cities'.

The current federation reform process is the latest in a series of instances in which the Commonwealth government has sought involvement in housing policy. Since the 1940s, housing policy and the related issue of urban planning have intermittently been the subjects of intense focus and activity within the Commonwealth government. Given that housing policy remains the constitutional re-

sponsibility of the states, these moments of Commonwealth activism have often created controversy and drawn attention to the constraints imposed by the federal system. At other stages, housing and urban planning issues have fallen off the Commonwealth agenda almost entirely: apart from the continued subsidisation of some targeted housing provision, some federal governments have been content to leave such matters to the states. The challenges to housing policy posed by the federal system are compounded by its entanglement with other policy areas with significant economic impact, such as those acknowledged in the Commonwealth green paper.

This paper traces the history of Commonwealth involvement in housing and urban policy since the late 1940s, to determine the extent to which the key issues have changed or remained stable over time. What can we learn from earlier cycles that illuminates the particular characteristics of housing as a policy challenge and the means by which the political class manages it in 2015? To what extent are the issues of 2015 the same as those of the 1940s? What about the proposed solutions? Plus, what does a history of housing policy reveal about the workings of the federation?

We demonstrate that once housing presents as a problem to be addressed, it satisfies the conditions an Australian Public Service Commission report identified as characteristic of a 'wicked problem' (APSC 2007). The housing problem is difficult to define clearly (what constitutes grounds for action?); with many interdependencies (different levels of government, central agencies vs. delivery agencies); and multi-causal aspects (philosophical proclivities, taxation, immigration, land release, planning, development, demographic transitions). Proposed measures may have unforeseen effects (see below the adverse impact of negative gearing and capital gains tax concessions on house-price inflation). Problems may be unstable and continue evolving (despite failing to boost housing construction, successive governments refused to tamper with the politically popular negative gearing concession, with unfavourable effects on revenue and hence for

programs other than housing). There can be no clear and correct solution; because problems are socially complex with many stakeholders (local councils, developers, investors, social services, planners, home owners, renters); responsibility stretches across many organisations (all levels of government; community organisations, NGOs); and solutions may require behavioural changes by citizens and stakeholder groups (sacrificing tax concessions; balancing community amenity against urban consolidation).

The narrative history presented here is a means of clarifying the challenges for, and intentions of, policy makers, but we will argue that more precise mapping of the dimensions of complexity is feasible, and can assist in future policy deliberation.

### **The Commonwealth Enters the Housing Field**

In the 1930s there was a housing crisis in Australia. Construction boomed in the 1920s but almost ceased during the Depression. It increased in the later 1930s, but was far from meeting demand before World War II diverted resources from the home front. The housing crisis escalated during the war, persuading many that the Commonwealth should intervene. In parallel, the widely perceived competence of the Curtin government in mobilising the community and prosecuting the war effort saw popular sentiment shift markedly towards the centre. An opinion poll in June 1942 found that 60% of respondents favoured the abolition of the states (Cantril 1951: 816). An influential pamphlet, *Housing the Australian Nation*, published in 1942 argued that private enterprise would never provide sufficient housing at affordable rates (Barnett and Burt 1942). The states, financed by the Commonwealth, 'must enter the housing field to a degree hitherto undreamed of, and erect dwellings to be sold or let at a price of rental within the capacity of the worker' (Barnett et al., *We Must Go On*, cited in Greig 1995: 31). Such ideas were adopted in the report on housing reform of the Joint Parliamentary Commission on Social Services in 1942.

Though some states had themselves established housing authorities before the war, in April 1943, the Curtin Labor government established a Commonwealth Housing Commission (CHC). Its task was to report on the state of housing in Australia and propose solutions to the crisis of accommodation. The CHC reported a shortfall of 300,000 dwellings across the nation, and concluded that the private sector would be unable to make up the shortfall; nor could the private sector be relied upon to deliver affordable housing for low-income earners. The CHC called for 50,000 houses to be built or commenced in the first full post-war year of a housing program, and 80,000 annually by the third year and each year subsequently until the shortage was overcome. Thirty thousand of the initial 50,000 dwellings would be built with government funding and available at subsidised rental rates.

At a Constitutional Conventional in November 1942, the state premiers agreed to cede a range of powers, including housing, to the Commonwealth for 5 years after the war, for purposes of post-war reconstruction. Despite these undertakings, three states subsequently amended or qualified the enabling legislation, compelling the Curtin government to resort to its initial plan of holding a referendum to seek additional powers. Housing was not among them, Curtin having concluded that powers relating to housing and education 'were useful but not indispensable' (Macintyre 2015: 267–270; National Archives of Australia (NAA) 1943: A2703, 53). If the federal government was to assume a new role in housing it would need to work around the limits imposed by the constitution. The referendum was defeated 5 days before the Premiers' Conference at which the Commonwealth sought to reach an agreement with the states on housing reform. Stuart Macintyre argues that the defeat of the powers referendum emboldened the states to resist the wishes of the Commonwealth (Macintyre 2015: 271).

On Curtin's death, Ben Chifley became prime minister, and in February 1945 John Dedman succeeded him as the minister for Post-War Reconstruction. Dedman was ambitious, but

less capable than Chifley at disarming experienced and wily premiers. In an effort to circumvent opposition, Dedman offered loans to the states for the construction of low-income private housing, in addition to the Commonwealth's proposal for public housing construction. When New South Wales, Victoria, and South Australia refused the offer because of the Commonwealth's insistence that it oversee the design, location, and construction costs of dwellings, Dedman withdrew it (Spaull 1998: 107).

For the reforming bureaucrats within the Department of Post-war Reconstruction, the Commonwealth's entry into the housing market was one aspect of a much larger role it envisaged for the national government in urban policy. If the Commonwealth could lead a national effort to integrate housing policy within a far more ambitious project of urban planning, the benefits of its expenditure promised to be much greater. However, it soon became apparent that the leadership of the Labor Party, under Ben Chifley, conceived the Commonwealth's role more narrowly. Fearing the consequences of a rushed program of mass housing construction, the director general of the Department of Post-war Reconstruction, HC Coombs, developed the idea of a Commonwealth Town Planning Bureau, to liaise with town planning services in each of the states. State-based bureaux would train town planners and enforce prescribed planning procedures. The proposal passed Treasury scrutiny and was approved by Cabinet but at the first sign of state opposition, at the Premiers' Conference in August 1945, Dedman backed away from the plan. Another clash with premiers over building permits and the allocation of materials forced Chifley to intervene (Macintyre 2015: 333–334). The resulting compromise, said Dedman's biographer, was 'unsatisfactory . . . and further undermined the Commonwealth's earlier hopes for a national building policy' (Spaull 1998: 108).

The housing settlement finally reached between the Commonwealth and states in August 1945 was, in Dedman's words, 'the best we have been able to get in agreement'; the minister could 'not pretend that in all matters it

satisfies the Commonwealth' (*Commonwealth Parliamentary Debates* 1945: 5385). Achievement of the Commonwealth-State Housing Agreement (CSHA) was a close call, with New South Wales, Victoria, and South Australia voting against the agreement and the Commonwealth, Western Australia, and Tasmania for it. Nonetheless, the CSHA was re-negotiated with the states every few years until 2008 and provided an ongoing foundation for Australian housing policy and programs (Orchard 2014: 210). Under the terms of the 1945 agreement the Commonwealth offered low-interest rate loans to the states for housing construction, primarily for rental to low-income families and returned servicemen and their families. The CSHA required state governments to charge an economic rent for public housing; that is a sum that allowed government to recoup the costs of construction and included a modest rate of interest. Should the economic rent constitute more than one-fifth of the tenant's income, the tenant would be eligible for a rebate paid by the Commonwealth. The states were also required to clear slums and follow agreed building standards.

Housing construction remained well below Commonwealth targets for several years (Macintyre 2015: 301). The Playford government in South Australia refused to deal with the Commonwealth at all: its own Housing Trust, established in 1936, was remarkably successful in constructing low-cost housing. The Queensland Labor government of Frank Cooper was ideologically resistant to building houses for rent as opposed to purchase. The Tasmanian and Western Australian Labor administrations were more amenable to Commonwealth advances, and New South Wales and Victoria, with the greatest shortage of dwellings, were also willing to co-operate. Still, progress in these states fell well behind targets, due to shortages of labour and materials and inadequate administrative processes. The CSHA, intended to accelerate the construction of affordable housing and boost building standards and design, turned out 'to be a laggard' (Macintyre 2015: 338). The Chifley government wore the public opprobrium generated by chronic shortages of labour and materials,

excessive red tape, union obstruction, and poor co-ordination. Patrick Troy considers that the shortage of housing was a factor in Labor's defeat at the 1949 election (Troy 2012: 107).

The diminishing public tolerance for central government intervention evident in the 1949 election result may have derived from federal and state government squabbling and failure to deliver. But Robert Menzies' success in promoting a revitalised liberalism was undoubtedly a factor. He emphasised the home as the foundation of national life, redoubt of the family, and product of (and reward for) individual enterprise (Menzies 1943). It was an appeal resonant with long-term Australian values concerning home ownership (Brett 2003: 120–125). It was congruent with current experience: where governments could not deliver, you must do it yourself—and many did. This chimed with the pioneer legend, a reaching back by resourceful individuals to the energy and improvisation of the imagined past (Brett 2003: 125).

The Menzies government did not vacate the housing field, rather it adopted policies that promoted private investment and consumption. Menzies soon relaxed the constraint on the sale of housing built under the CSHA: within 4 years, three-quarters of their 'public housing' was sold by the states. In 1956, the CSHA was renegotiated to include measures promoting home ownership: 20% (later 30%) of Commonwealth money was made available to building societies for loans to people to build houses (Gray 1995: 222). In the same year, the Commonwealth discontinued the policy of providing rebates to tenants whose rents comprised more than 20% of their incomes. This in turn led state governments to allocate housing to tenants who were in a position to pay non-subsidised rents, and to sell housing stock to recoup operating losses (Yates 2013: 114). The Menzies government also introduced a Home Savings Grant, providing a Commonwealth supplement—£1 for every £3 saved up to £250—to assist home purchases (Gray 1995: 222): 'a notorious instance of public subsidy to those already well off' (Butlin et al. 1982: 231).

The long post-war boom underwrote Menzies' approach to housing policy. In the context of 'managed prosperity' (Brown 1995),

his government effected a transition from policy intended to address problems of housing supply, with particular attention to the needs of 'the worker' (Barnett et al. 1944), to policy intended to facilitate market provision, and promote home ownership. In concert, Menzies re-asserted the 'proper' relations between federal and state governments (Menzies 1967)—provision for the disadvantaged would be left to independent state housing commissions, undermining Labor's attempt at an integrated plan for public housing. Suburbanisation was entrenched. Rates of owner occupation rose dramatically. Arguably, there was a democratisation of home ownership (Brett 2003: 125), and a recognition by the left of the advantages of suburban life for the ordinary Australian (Stretton 1971). The housing story of the 1950s and 1960s was widely rated a success. Until, that is, its unforeseen consequences started to bite.

The problems created by a rapid and insufficiently planned program of housing construction, as envisaged by HC Coombs, had come to pass. The period of conservative rule (1949–1972) coincided with massive industrial and urban expansion. The post-war baby boom and the great immigration program saw the population grow from 7 million at the end of World War II to around 13 million by 1972. Chronic shortages of land and housing persisted, leading to a highly inflationary real estate market. Suburban expansion, left to developers, market forces, and individual decisions, was ad hoc and often poorly planned. Large areas of Sydney and Melbourne remained unsewered. Residents in outer-suburban areas lacked basic community facilities—libraries, hospitals, schools, recreation facilities, and healthcare centres. They often travelled long distances to work, from areas poorly serviced by public transport. The result for many was adverse, with some aspirant owners financially overstretched and those too poor to buy paying prohibitive rents. The biggest losers were precisely those on whom Labor's 1944 initiatives had focused: by 1975, fewer than one-third of Australia's poor could be accommodated in public housing (Gilbert 1987: 88). It was these problems that Gough Whitlam set out to address.

### Housing Policy under Whitlam

Gough Whitlam was an enthusiastic expositor of the constitutional obstacles to reform long before he became prime minister in December 1972, but had come to accept (as had Curtin) that reform must be achieved within the existing constitutional system. To an unprecedented extent, Whitlam would rely on tied grants to influence the states: he called this Labor's 'charter of public enterprise' (Whitlam 1977: 65). He also intended to diminish the influence of the states by dealing directly with regional and local authorities where possible. Hence, the role of the Commonwealth Grants Commission was expanded so it could consider funding requests directly from regional authorities, much to the chagrin of state governments. The proportion of tied or conditional grants grew under Whitlam; from 28.1% of federally derived income in 1971/1972 to 49% in 1974/1975.

In 1971 the coalition government (by then led by William McMahon) had replaced the CSHA with a new financial arrangement of Commonwealth advances and grants to the states, with interest rates tied to the long-term bond rate. There was little negotiation and states expressed their dissatisfaction with the Commonwealth's 'dictatorial attitude' (Pugh 1976: 37–38). The Labor government revived the CSHA in 1973, reintroduced restrictions on the sale of CSHA funded houses, and allowed for the purchase and renovation of existing properties to increase public housing stock. Although the focus shifted back to the promotion of public housing (in some respects returning to the objectives outlined by the CHC in 1944) and the Whitlam government greatly increased Commonwealth funding, it encouraged transition of CSHA provision from an initiative designed to alleviate a chronic shortage of accommodation for working-class Australians, to a welfare measure assisting socially disadvantaged and marginalised members of the community.

The need for this philosophical reorientation was confirmed by the findings of the Commission of Inquiry into Poverty in Australia, announced by the McMahon government in August 1972. A report released in 1975 concluded that 72% of the nation's public hous-

ing stock was occupied by people whose incomes were more than 120% above the poverty line (Commission of Inquiry into Poverty 1975, quoted in Hayward 1996: 24). The removal of the requirement to charge an 'economic rent' by the Menzies government in 1956 and the reluctance of some state governments to increase rents for existing tenants (due to the existence of rent controls in the private market) meant that public housing tenants often paid rents that were well below market rates. Thus, there was little incentive for tenants to move out of public housing into the private market. When tenants did move out, state governments took the opportunity to increase rents, to the disadvantage of those moving in. In an effort to better identify those with the greatest need for public housing, the Whitlam government introduced a stricter income test for prospective tenants in 1973, which stipulated that the principal breadwinner could earn no more than 85% of the average weekly income (Hayward 1996: 24).

Like the reconstructionist bureaucrats (though not the Labor leadership) of the 1940s, Whitlam recognised the need for a stronger connection between housing and urban policy (Milligan and Tiernan 2012: 393). In re-establishing urban policy in the Commonwealth domain, he argued that it was an issue of social justice, adding 'locational' disadvantage to Labor's traditional concern with material disadvantage. In redressing pressing issues of locational disadvantage, Whitlam would simultaneously seek to 're-shape the nature of Commonwealth-state relations' (Lloyd and Troy 1981: 216). To drive this enterprise, he created the Department of Urban and Regional Development (DURD). It possessed no financial or legislative control over other departments, but was given the task of co-ordinating reform on a national scale. In addition to its role at the federal level, the department was expected to co-ordinate relations among local, state, and Commonwealth governments.

Housing was an integral part of the DURD agenda. Whitlam's handling of urban reform reflected a mindset characteristic of his approach to government. He claimed that he was not a centralist but rather sought to inject new life into the Australian federal system by a

revision of intergovernmental relations (Whitlam 1985: 711–728). However, as Lionel Orchard argues, Whitlam's co-operative federalism 'was not . . . co-operative in the real sense because it involved a high degree of imposition of particular thinking on the states' (1987: 367). Despite his professed preparedness to work within the existing constitutional framework, Whitlam told a journalist in June 1973, just days before his first conference with the premiers, that Australia 'would be better governed if the ultimate responsibility for making laws were to reside in one government'. At the conference itself he bluntly told the state leaders that the Commonwealth expected to 'be involved in the planning in which we are financially involved . . . the government responsible for gathering and dispersing huge amounts of public money is obliged to see that the money is properly spent' (quotes in Hocking 2012: 88). A canny operator might have anticipated likely reactions and been more circumspect in word and action. Lloyd and Troy claim that the prime minister lacked diplomatic skills. Uren and his department were willing to negotiate: Whitlam 'appeared more prepared to crash through' (Lloyd and Troy 1981: 218).

In the aftermath of the Whitlam government, it was widely held that the prime minister's attempt to push reform through the federation despite the resistance of the states had been politically counter-productive. Co-operation rather than confrontation with the states became the mantra of both Labor and the conservatives. The new prime minister, Malcolm Fraser, talked about a 'new federalism', in which powers were ceded back to the states, though he did little to bring this about in practice (Sharman 1980). However, his caution about exercising federal powers took the heat out of federal–state relations (Weller 1989: 303–304). DURD was abolished in 1976; some of its functions were incorporated in the Department of Environment, Housing and Community Development, but that too was disestablished in 1978. There followed an interregnum of some 15 years in which there was no national presence in urban and regional policy. The Commonwealth continued to fund social housing through the CSHA, though funding levels

were cut drastically as part of a broader program of austerity measures (Hayward 1996: 24).

### **From Hawke's New Federalism to Howe's Building Better Cities: Housing and Neo-liberalism**

Bob Hawke came to the prime ministership in 1983 intending to 'revolutionise relations' among the three levels of government by yet another 'new federalism' (Hawke 1994: 528). His plans for co-operative governance were conceived within a political environment that was significantly transformed from that within which Whitlam had operated. The collapse of post-war Keynesian policy settings is covered elsewhere (Walter 2010: 281–331). In their place emerged a neo-liberal consensus, promoting the market economy in place of the 'failed' mixed economy, and demanding reductions in government spending and market deregulation. Government now placed emphasis on mobilising private investment to meet national needs. One indicator was then treasurer Paul Keating's 1985 introduction of a tax concession, negative gearing (allowing an investor tax deductibility for losses when rental income fails to match property costs), intended to stimulate rental housing construction. It rapidly became popular, but investors overwhelmingly preferred to compete for established properties: rather than supporting construction, it encouraged speculation and boosted house prices.

The Commonwealth's retreat from public expenditure was felt in the public housing sector. After an initial increase in CSHA funding upon coming to office in 1983, Labor increasingly shifted funding towards means-tested rent assistance to people in the private housing market. Spending on the CSHA fell by 25% between 1984–1985 and 1994–1995, taking into account inflation and population changes (Purdy 2000: 8). Amid the rigorous scrutiny of government welfare spending, the CSHA came to be seen as an inefficient and ineffective means of providing housing for those most in need. The move towards subsidising the private renter over funding public housing not only complemented the anti-paternalist *zeitgeist*, but reflected the growing realisation that the

utilitarian high-rise towers constructed in large cities during the 1960s were not conducive to the psychological well-being and social integration of their occupants (Yates 2013: 114). By the early 1990s, approximately 85% of public housing tenants received Commonwealth Rental Assistance (CRA); by the mid-1990s, CRA exceeded the CSHA as the principal means of governmental housing assistance (Yates 2013: 115).

The reorientation of public housing policy towards those most in need simultaneously presaged its degeneration. The move from economic rents to market rents was expected to both provide incentive for tenants to vacate public housing if possible and to compensate the states for the decline in Commonwealth funding. However, the policy over-estimated the capacity of tenants to pay market rents. The deinstitutionalisation of mentally disabled and psychologically unwell people during the 1980s created a new type of demand for public housing. Unlike the working-class families that had benefited initially from public housing under the CSHA, those suffering from mental disability and mental illness required a more extensive set of government services and were less likely to become self-sufficient (Yates 2013: 114). Declining rental revenues were further affected by the rise in single-income households and elderly single-occupant households, due to the rise of single parenthood and demographic changes (Yates 2013: 114). Market rents failed to cover the costs of construction and maintenance incurred by state housing authorities, leading them to sell housing stock to recover operating losses (Yates 2013: 112). In an effort to encourage the states to make further public housing provision, the Commonwealth moved from loan funding to grants; the latter to be used for housing construction rather than recurrent costs. However, the continuing inability of the states to recover their operating costs proved a disincentive to further public housing construction (Yates 2013: 114).

Labor's *Building Better Cities* program of urban reform (1991–1996) was conceived within this environment of economic recession and federal rapprochement. Brian Howe, the hous-

ing minister, has emphasised the latter element, claiming that he advocated *Better Cities* not as a form of fiscal stimulus in a recessed economy, but as an exercise in federal–state relations: ‘this was a time in which there was some significant reform contemplated in terms of relations to the States . . . This was a kind of positive in terms of the States, the States could have access to this capital money—very positive’ (quoted in Oakley 2004: 11).

The DURD reforms bore the legacy of the post-war reconstruction and the influence of Keynesianism. Whitlam and Uren advocated their policy as a social justice ameliorative. By the 1990s when *Building Better Cities* was developed there had been a significant shift in the way that social reform was done. The Hawke and Keating governments’ housing and urban development program was as much about economic reform and efficiency as it was about social justice. The Treasury view had triumphed; there was no longer any political room for high-spending social justice programs.

*Better Cities* was said to have been developed with the failures of the Whitlam-era DURD exercise in mind. Its bureaucratic leader, Lyndsay Neilson, formerly head of the National Capital Planning Authority, claimed some first-hand knowledge within DURD (though see Patrick Troy’s sharply critical response: Troy 2012: 217). Neilson found that Howe was equally conscious of the need to avoid the mistakes of the 1970s, most particularly the acrimony generated in the states (Neilson 2008: 87–88). The contrast between Whitlam’s provocative declarations to the states regarding urban reform and the mollifying process put in train by the Hawke and Keating governments was marked.

Howe asked Neilson to approach the states individually and informally to ask whether they would be interested in collaborating with the Commonwealth. There was a range of responses, from enthusiasm and a wish to accept the funding but not the conditions to outright suspicion. Rather than calling on the states with a list of proposed projects, Neilson was briefed to seek their suggestions as to how capital funding might be used within a set of loosely drawn parameters (Neilson 2008: 88–89). Based on the suggestions from states, a ‘Yellow Book’

of potential projects formed the basis of a submission by Howe to the federal Cabinet. Howe faced substantial opposition from some Labor parliamentarians who believed the Commonwealth should not involve itself in what was a matter for the states, and from Finance and Treasury. Despite the opposition, Howe had the support of Hawke and the submission was accepted by Cabinet. A sum of \$816.4 million was allocated in the 1991–1992 budget.

A Special Premiers' Conference was held in July 1991, at which the Commonwealth and states agreed in principle to co-operate on a program of urban reform. The Commonwealth and states entered into inter-governmental agreements. Although the projects that were eventually funded were suggested by the states, there was negotiation and adjustment before Commonwealth funds were released. If certain outputs or outcomes were not realised by the states, the Commonwealth had the contractual capacity to withhold funding, which it did on a couple of occasions.

Projects advanced by the states included a number with potential ramifications for inter-governmental relations in the housing domain. In Victoria, for instance, there was a particular emphasis on demonstration projects in public and community housing: with public housing redevelopment in North Melbourne (a project viewed as a model for any future public housing redevelopments); housing development (public and private) in East Preston and Norlane; and the progressive refurbishment of properties in the centre of Melbourne for residential use (Auditor-General of Victoria 1996).

Although the modest achievements of *Building Better Cities* have been contested (Troy 2012: 214–220) and Brian Howe has since wondered whether the haste of the project meant that the outputs and outcomes were insufficiently precise, the Australian National Audit Office declared the approach to have been effective (Howe 2001: 39; ANAO Report 1996, quoted in Neilson, 2008: 106). Hawke's successor, Paul Keating, agreed to fund the second stage of the *Building Better Cities* project; provision was included in the 1995–1996 budget. The election of the Howard Liberal-National Party government in March

1996 saw the demise of these plans. The coalition government honoured outstanding funding commitments but closed down the scheme and abolished Howe's Department of Housing and Regional Development.

If DURD aspired to a revolution in urban and regional planning, Brian Howe was content for *Better Cities* to showcase a handful of examples of best practice. The conception and application of Whitlam's urban reforms had poisoned the Labor Party, state governments, and the Commonwealth bureaucracy against federal involvement in urban policy. Howe sought to operate within existing structures and to cajole the co-operation of other levels of government. He sought an evidence base, but did not create a bureaucracy of academic experts. That he managed to muster political support and substantial funding for *Better Cities* is a mark of both his political skill and commitment to the cause. That the Hawke and Keating Labor governments emerged from the labyrinth of federal–state relations with some success in modelling urban reform is testament to the fact that the federation does not preclude Commonwealth-initiated enterprise in association with the states, though it certainly makes it very difficult.

### *Housing Responsibility Abrogated?*

In the period 1996–2007, there was again no exercise of national leadership in housing policy. John Howard's coalition government had a philosophical disinclination to engage in urban reform. Having cancelled the *Better Cities* program, the coalition's transport and regional development minister, John Sharp, argued that there was 'no clear rationale or constitutional basis for Commonwealth involvement' (quoted in Simons 2011). Responsibility for housing within the Commonwealth bureaucracy fell to a branch within the Social Security portfolio and there was no dedicated minister for housing. The government ceased to monitor supply and demand conditions in the market and funding for public housing was further reduced (Milligan and Pinnegar 2010: 327). Vivienne Milligan and Anne Tiernan describe the period 1996–2007 as one of retreat and

Commonwealth policy stasis. They note in particular the collapse of the reform agenda for housing policy, cuts to CSHA funding that eroded all capacity for additional rental supply, the removal of Commonwealth controls on state expenditure under CSHA, and capital gains tax concessions to rental investors (Milligan and Tiernan 2012: 395). This last, intended to promote ‘the investment culture’ and a shareholder democracy (Ralph 1999), instead accelerated house price inflation, especially as equity market volatility made property investment look the safer option. When combined with negative gearing tax concessions, it accentuated the affordability crisis to an extent that worried the Productivity Commission (2004, 2010) and Treasury (Australian Tax Office (ATO) 2010: E4).

Other decisions driven by the government’s economic agenda and not directly related to housing nonetheless contributed to the vicious spiral in which the most disadvantaged were trapped. The Goods and Services Tax (GST), introduced by Howard in 1999, had the virtues of generating additional revenue, yet enabling cuts to income taxation while augmenting the pool available for state funding—but as a regressive tax, its effects were most detrimental for the poor whose discretion over spending was limited, and whose rental costs continued to rise in the overheated property market. Welfare provision scarcely improved their lot—most analyses showed it increasingly rewarding the middle class (Walter 2010: 312–315).

As the ‘housing problem’ again became pressing, the Labor opposition under Kevin Rudd made it an issue in its pitch to the voters: its message—a Labor government would again exercise national leadership where it was needed. Anthony Albanese has claimed that when it gained office in 2007, the Rudd administration found ‘not a single urban planner in the entire Commonwealth Public Service—not one’ (quoted in Simons 2011). The Rudd and Gillard Labor governments (2007–2013) implemented a number of ambitious policies (see Milligan and Tiernan 2012: 395–396)—the most significant being the National Rental Affordability Scheme (NRAS) 2008 and, through COAG, the National Af-

fordable Housing Agreement (NAHA) 2009, which replaced the CSHA. Then, as part of his counter-GFC Nation Building–Economic Stimulus Plan, Rudd introduced a Social Housing Initiative (SHI): ‘the largest investment in social housing construction in Australia since the 1980s’ (Yates 2013: 117).

While attempting to address problems of supply, the Commonwealth’s efforts to outsource delivery (e.g. to the community housing sector) and to incorporate private finance were seen by some as ‘divest[ing] government of responsibility for a particular policy area while attempting to facilitate market-based and/or community/private sector solutions’ (Nicholls 2014: 236). In any case, as the government descended into internecine battles over direction and leadership, housing policy was again subject to drift and uncertainty. After Gillard replaced Rudd, economic difficulties resulted in cuts in NRAS expenditure and then deferral; uncertainty about COAG housing reform; and the break-up of housing responsibility across multiple departments, fragmenting focus and arresting progress (Milligan and Tiernan 2012: 395–398).

By 2013, though the ideological frames through which the housing issue was seen had changed (Orchard 2014), some have suggested that the problems facing policy makers were precisely those that had confronted them at the end of World War II (Yates 2013: 127; Nicholls 2014: 232). Like many of its predecessor coalition governments, Tony Abbott’s Liberal-National Party government sought first to disengage from the Rudd–Gillard legacy (by instituting a series of reviews, including a Commission of Audit that suggested it withdraw entirely from funding), then to subsume the problem within its planned white paper on federation reform. As noted earlier, despite the issue of an informative paper on housing issues (DPMC 2014), and a draft green paper canvassing alternative options (all now narrowly focused on social housing and homelessness, see DPMC 2015: 83–87), commentary from the prime minister and senior ministers hinted that the preferred option was increased devolution to the states, though Malcolm Turnbull’s assumption of the leadership in

September 2015 might induce reconsideration. Indicative of the state of play in mid-2015, however, was then Treasurer Joe Hockey's dilemma when confronted about the problems of the housing market.

At the time housing policy was undergoing one of the periodic upswings of attention characteristic of this domain. Despite housing stress having become a matter of concern (Productivity Commission 2010: 15), it was not a priority for the Abbott government, which looked to jobs growth to deal with the disadvantaged, and with 'the housing problem'. Yet its initial economic policies did not stimulate business investment and unemployment remained stubbornly high. Income inequality increased and wages remained relatively flat (ACOSS 2015), whereas housing prices boomed, especially in the major cities, to the advantage of existing owners and investors, but with deleterious effects on first-home buyers, those reliant on the rental market, and the disadvantaged.

Concern was expressed by the social services sector (housing costs driving homelessness and as a threat not only to tenure, but also to food security), economists (Saul Eslake, Bank of America Merrill Lynch, warned that rising house prices were causing 'social harm'), and senior advisers to government (Treasury Secretary John Fraser warned that Sydney and parts of Melbourne faced a housing bubble; assistant governor of the Reserve Bank, Malcolm Edey, described the market as 'overheated' and 'risky': Janda and Clarke 2015). It all coalesced as a problem of housing affordability.

The government decided to address one aspect of the problem: it would tackle market distortion created by non-resident foreign investors illegitimately competing in the domestic market by forcing those found to have breached Australian laws and regulations to divest. Treasurer Joe Hockey called a press conference to promote the implementation of this measure. But when his interlocutors continued to tax him on the issue of affordability, Hockey remarked that though expensive, housing in Sydney was not 'unaffordable', and that 'a lot of people would rather have their homes go up in value than fall in value'. Pressed on the cost barriers for new entrants to the mar-

ket, he responded, 'The starting point for a first home buyer is to get a good job that pays good money' (Clarke and Bennett 2015).

Hockey unwittingly unleashed a storm of criticism concentrated not only on the incursion into the housing market of foreign buyers, but also upon the evidence of flat wages growth, persistently high unemployment (with generational disparity as it converged on the young), supply not calibrated to demand, rising income inequality, taxation concessions that favoured existing owners, and, above all, perceived generational inequity (with the current generation unable to gain a foothold). It was a potent demonstration of the range of issues in contention. In the ensuing furore, Hockey defended his position by adopting what we might call the federation two-step: his responsibility was to promote growth: 'The best thing we can do as a government is help to create more jobs and better paying jobs' (Clarke 2015). As for the underlying problem of supply, that was the responsibility of state governments charged with land release and planning decisions. In defending his treasurer, then prime minister, Abbott, insisted, 'this is a treasurer striving, every day, to do the right thing by the people of Australia . . . Joe has done the best possible thing by the home buyers of Australia by bringing down a budget that will be good for business, good for jobs' (Clarke 2015).

Hockey overlooked the variety of issues then in debate and seemed unprepared for the range of concerns that any venture into the housing domain might be expected to provoke. In addressing only one factor, he became ensnared in a 'wicked' multi-dimensional problem, provoking a range of advocacy groups, to which his only response was reversion to his default position of higher-order economic responsibility, reinforced by directing attention to the more quotidian responsibilities of state governments. Thus, his conundrum was recast as indicative of the difficulties driving the government's long-announced interest in federation reform. In fact, much of the government's policy kite flying in 2014 and 2015 on hot button issues, such as health and schools funding as well as housing, appeared linked to its hopes for federal reform, frequently with the implication that

there should be less federal intervention in areas traditionally the responsibility of the states. It was in fact commensurate with earlier cycles of successive policy regimes relying on interpretation of the federal compact to justify either engagement with, or disavowal of, responsibility for the 'housing problem'. Yet within months, Turnbull's ascension to the leadership, Hockey's removal from the treasury portfolio and the appointment of Briggs as minister for Cities and the Built Environment implied another revolution in the policy cycle.

### Discussion

The housing policy story is one of incremental attempts more tightly to define and target those who should benefit. The impetus in the 1940s was to address a supply problem, and produce housing that would be within the financial capacity of 'the worker'. The CHC reported that the private sector would not be able to meet demand: the need was for planning and public provision. In the 1950s and 1960s under Menzies, CSHA funding was not only reduced, but some of it diverted to home lending. The intention now was to promote private investment and private consumption, with the expectation that enabling individual aspirations harnessed to the private sector would stimulate market provision. By the early 1970s the Henderson Poverty Inquiry, however, provided startling evidence that CSHA provision was not reaching those most in need. The Whitlam government's renegotiation of the CSHA again promoted public housing and increased funding but targeted provision more precisely towards the disadvantaged and marginalised, even while experimenting with broader scale urban reform. It introduced rent assistance, which was to become an increasingly significant policy lever. Fraser backed away from such initiatives: austerity measures saw the CSHA cut drastically. Under Hawke and Keating, there was another approach to stimulating market provision and private investment—for instance through the introduction of negative gearing as an incentive for investment in new housing for rental. Rather than promoting construction, negative gearing encouraged speculation in existing properties.

In this period, expenditure on rental assistance began to outstrip that on housing provision. *Better Cities* provided some modelling of intergovernmental co-operation in the mix of public and private housing provision, but was short-lived. The Howard government shut it down and inaugurated a period of Commonwealth retreat from and policy stasis in housing and urban policy. When Rudd and later Gillard again sought to meet what was said to be pressing need, introducing the NRAS, replacing the CSHA with the NAHA, and introducing a SHI, they continued to favour outsourcing and attempted to facilitate market-based or community/private sector solutions. Abbott disavowed these initiatives. 'The housing problem' would be swept up within reform of the federation; the initial federation reform green paper focused on disadvantage and homelessness, even while public debate raged about housing affordability. This was now an issue not only for the disadvantaged or 'the worker', but also for the middle classes who feared their children would be locked out of the housing market. Whether it was a supply problem, or rather one of price inflation driven by Australians increasing private debt in a gamble on property speculation remains in dispute. But it is clearly not simply a recapitulation of the problems the Commonwealth confronted in the 1940s.

There are five consistent features in this story. First, there has been more or less predictable vacillation between federal engagement in, and disavowal of, the domain, with ALP governments inclined towards the former and coalition administrations the latter (the pattern is surprisingly consonant with the much-contested initiative-resistance thesis: see Mayer 1956). Even when intervention is attempted, changes of government usually see its effects truncated. Second, since 1944, reforming governments have accepted that they must work within the constraints of the federal constitution, but housing issues have driven governments of *all* complexions to re-consider the nature of federal-state co-operation and how responsibilities should be allocated. Third, despite the federal-state fiscal imbalance, state governments have considerable capacity to resist or modify federal initiatives. Fourth, the

default position throughout has been one of market provision and management of housing, in concert with unusually pronounced individualistic aspirations for home ownership, with a more or less residual role for governments (state *and* federal) in dealing with welfare and material disadvantage. Fifth, notwithstanding general acceptance that market provision and individual choice are the norm, periodically issues with community resonance wider than simply welfare/disadvantage demand governmental action—especially issues of market distortion or market failure (witness contemporary debate about the generational disparity in housing affordability). Then, there is a public expectation that government should *do* something, as Turnbull appears to recognise.

When one considers the interaction of these consistent factors with an array of other variable influences—ideology (Nicholls 2014; Orchard 2014), policy phases and paradigms (Milligan and Tiernan 2012; Tiernan and Burke 2002), transitions in political economy and institutional practice (from the relative simplicity of post-war Fordist approaches, Greig 1995, to the ‘runaway world’, Giddens 2002)—the complexity of the domain is underlined. This, plus the competition of agencies, diversity of interests and multidimensional nature of the domain leads us to define housing as likely to generate wicked problems, as we foreshadowed at the start. Would a more rigorous appreciation of the nature of wicked problems in the housing domain, or a more nuanced means of mapping complexity, assist us better to understand the past and plan for the future?

Brian Head usefully frames this inquiry by alerting us to three dimensions of wicked problems: (i) complexity of elements, subsystems, and interdependencies; (ii) uncertainty in relation to risks, consequences of action, and changing patterns; and (iii) divergence and fragmentation in viewpoints, values, and strategic intentions. He suggests it should be possible to ‘map’ issues in terms of low, moderate, or high levels of complexity, uncertainty, and divergence: wicked problems, on this view, would be those rating highly across these three dimensions. (Head 2008: 103). Head suggests that complexity alone does not signify a wicked problem, because some types of complexity

are amenable to scientific analysis and technical/engineering controls. It is when uncertainty and divergence intervene that policy determination may be confounded.

Others have taken this point further, offering more elaborate complexity theories. There is vigorous debate about, and multiple definitions of, complexity (see Geyer 2012: 31). The attempt of all is to understand complex relationships at multiple levels of government and among large, politically active populations. What such theories have in common is the idea that policy emerges from complex adaptive *systems* in interaction with other systems. It

... is about systems whose internal structures are not reducible to a mechanical system. In particular, it is about connected complex systems, for which the assumptions of average types and average interactions are not appropriate ... Such systems coevolve with their environment, being ‘open’ to flows of energy, matter, and information across ... boundaries ... These flows do not obey simple, fixed laws, but instead result from the internal ‘sense making’ going on inside them, as experience, conjectures and experiments are used to modify the interpretive frameworks within (Allen 2001: 39–40).

The sort of statements typically generated from such an argument might be adapted to the policy context we consider here as follows:

---

Systems are not linear, but adapt in response to learning, feedback loops, the agency (and interpretation) of participants, and contingency.

They cannot attend to all information, and are necessarily networked with other systems, all of which have their own information, rules of behaviour, and external forces to deal with.

Federal and state agencies both develop different political cultures and bureaucratic practices, as do successive policy regimes, which influence learning, adaptation, and ‘meaning making’.

Federation constitutes a network, yet practical experience (e.g. long histories of housing provision in some states) and historical contingency (different patterns of economic development; hence different interests) produce discrete, perhaps incommensurable, patterns of behaviour and expectations among its elements.

---

---

<p>Nor can they be understood discretely, in the sense of being broken down simply as constituent elements of a process.</p> <p>They are not hierarchically ordered but may be nested in a larger system.</p> <p>The task, then, is to examine how smaller systems operate within larger complex systems.</p>	<p>The Commonwealth and each of the states exercise degrees of autonomy; none would accept designation as simply a constituent element.</p> <p>Nonetheless, by virtue of the federal compact, the Commonwealth and states are together nested within the Australian polity.</p> <p>Such factors must be appreciated in analysing how a smaller system (e.g. the housing policy domain) operates within this larger complex system.</p>
---	--

---

Sources: Cairney 2012 and Geyer and Rihani 2010.

One attempt to capture the direction of policy travel through complexity theory is Robert Geyer's metaphor of a complexity cascade (Geyer 2012). He builds on four concepts to arrive at a visual representation that 'combines an ability to see the direction of policy travel with an aspect of continual openness' that promotes system awareness while avoiding the linearity of instrumental rationality (Geyer 2012: 32–35). Three of his four concepts have familiar applications in historical institutionalism and public policy analysis—they are, first, the idea of punctuated equilibrium; second, what Geyer calls frozen accidents/regularities (which have affinity with path dependency theories); and third, gateway events (crises, challenges, or unplanned events that provoke institutional, policy or paradigm change). In relation to housing policy, for instance, one might represent the persistence of market provision and management as the norm, but with its equilibrium occasionally punctuated by state intervention, generated by a gateway event (e.g. the chronic housing shortage following the Depression and accelerated by World War II, and the conclusion that the private sector could not satisfy the shortfall). Actions taken in such a context then generate 'frozen accidents' or reg-

ularities, for instance the transfer of tax powers to the Commonwealth in 1942 leading to ongoing fiscal imbalance, or the establishment of the CSHA as a continuing element in federal state negotiations for nearly 60 years. Geyer's fourth concept, a visual metaphor—the complexity cascade—

is like a series of fountains stacked on top of each other. The base of each fountain represents a fundamental gateway event (Point A) that opens the system up to a whole new range of possibilities. Frozen accidents occur that shape the path of the system (. . . line C) through the range of possible pathways. Meanwhile, the boundaries of the fountain (Line B) represent the regularities that emerge that put limits on the possible outcomes (Geyer 2012: 34).

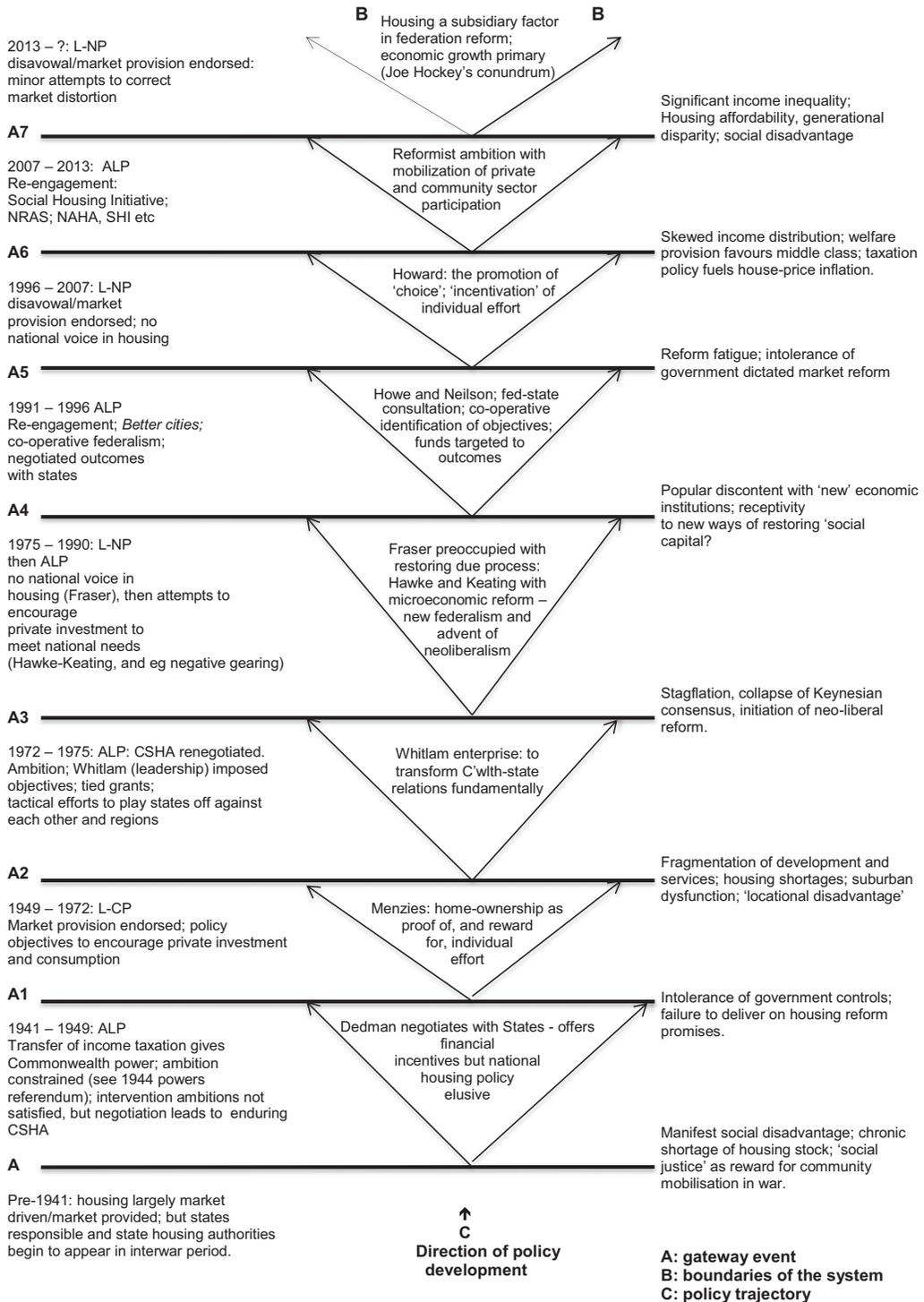
The history of housing policy discussed above might then be represented thus: (see Figure 1)

A further advantage (though not one raised by Geyer) is that in looking at these 'fountains stacked on top of each other', we might also visualise 'overflow' as the pattern of disavowal or retreat we have seen to occur after episodes of active engagement by governments in the housing domain, with the system repeatedly 'cascading' back to an extent that has persuaded some that we still face exactly the same problems as confronted policy makers in the 1940s (e.g. Yates 2013: 127), although we have reservations about this conclusion.

Our picture, however, does not yet fully satisfy the co-evolution and interaction of systems (policy domains), each of which might be subject to a common 'gateway event' (e.g. stagflation and the collapse of the Keynesian consensus in the 1970s/1980s) and the emergence of a new policy paradigm (e.g. neo-liberalism), but will have their own rules of behaviour and patterns of 'sense making'. Housing policy will necessarily co-evolve in relation to other domains (migration, taxation, economic management, etc.), which, following Geyer again, might be represented as intersecting or super-imposed thus: (see Figure 2)

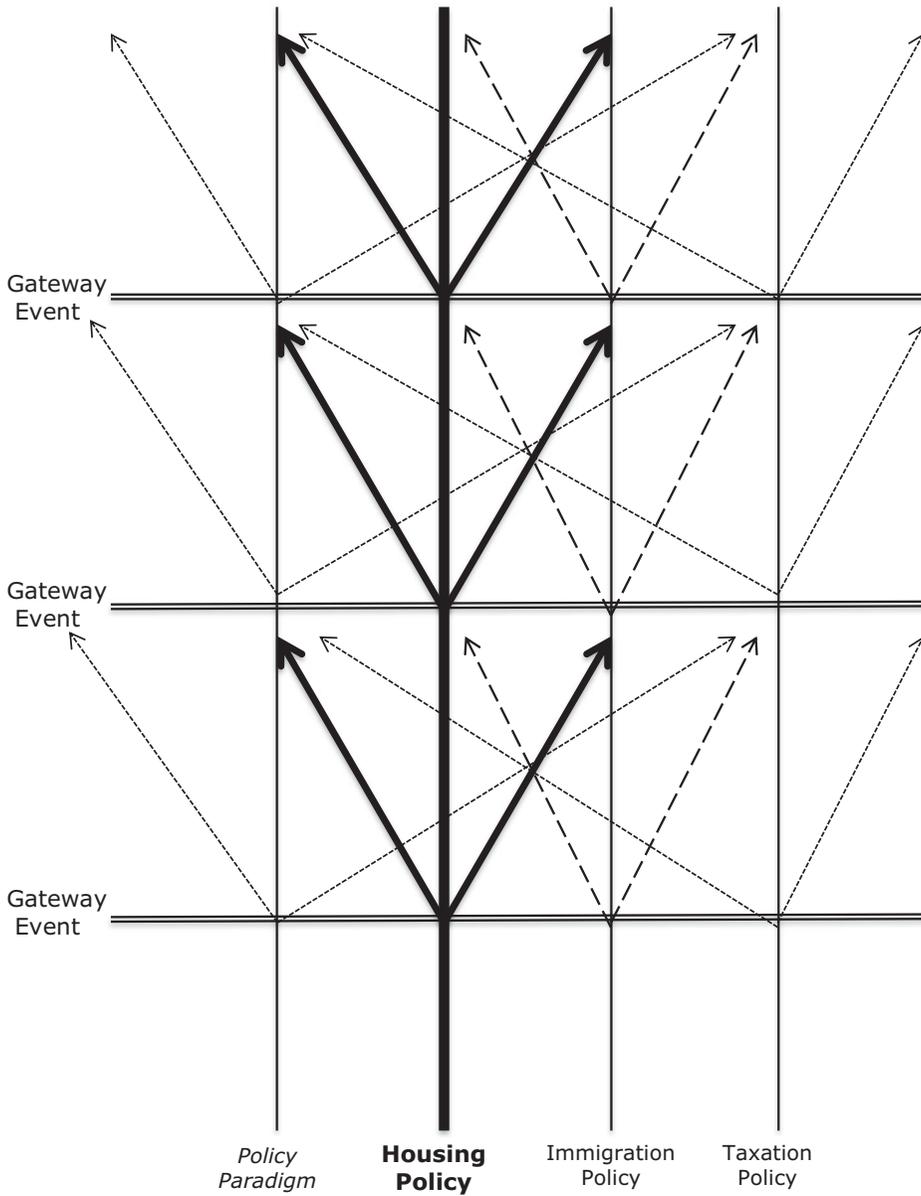
We end then with a visual metaphor that might well deter an activist politician or a bureaucratic entrepreneur: a veritable thicket for

Figure 1. Housing Policy Cascade



Source: Geyer (2012: 34).

Figure 2. Coevolution of Complexity Systems



Source: Geyer (2012: 35, 40).

ensnaring good intentions. It may, however, offer three advantages. First as a deterrent against simplistic pontification, such as was apparent in Joe Hockey’s analysis of housing affordability—and a warning that reform of the federation is unlikely to provide a

silver bullet in the face of wicked policy problems. Second, a reminder of the ongoing pertinence, and hence need to be aware of, Lindblom’s reasons for concluding that the best we might hope for is ‘muddling through’ and the Pressman/Wildavsky demonstration that

solutions dreamed up in the centre might not travel in the suburbs (Lindblom 1979; Pressman and Wildavsky 1984). But third, the possibility that, with a sufficiently sophisticated and nuanced approach, it may be possible to discern the direction of policy travel and hence to build productively upon it: complexity need not entail a counsel of despair.

## References

- ACOSS. 2015. *Inequality in Australia: A Nation Divided*. Strawberry Hill, NSW: Australian Council of Social Service.
- Allen, P. 2001. 'What Is Complexity Science? Knowledge of the Limits of Knowledge.' *Emergence* 3(1):24–43.
- Auditor-General of Victoria. 1996. *Building Better Cities, A Joint Government Approach to Urban Development*. Special Report No. 45. Melbourne: Victorian Government Printer.
- Australian Public Service Commission (APSC). 2007. *Tackling Wicked Problems: A Public Policy Perspective*. Canberra: APSC. Available from [http://www.apsc.gov.au/\\_data/assets/pdf\\_file/0005/6386/wickedproblems.pdf](http://www.apsc.gov.au/_data/assets/pdf_file/0005/6386/wickedproblems.pdf) [Accessed 12 June 2015].
- Australian Tax Office (ATO). 2010. 'Enhancing Social and Market Outcomes: E4 Housing Affordability'. In *Australia's Future Tax System*. Canberra: ATO. Available from [http://www.taxreview.treasury.gov.au/content/Finalreport.aspx?doc=html/Publications/Papers/Final\\_Report\\_Part\\_2/index.htm](http://www.taxreview.treasury.gov.au/content/Finalreport.aspx?doc=html/Publications/Papers/Final_Report_Part_2/index.htm) [Accessed 12 June 2015].
- Barnett, F. O. and W. O. Burt. 1942. *Housing the Australian Nation*. Melbourne: Left Book Club.
- Barnett, F. O., W. O. Burt and F. Heath. 1944. *We Must Go On: A Study in Planned Reconstruction and Housing*. Melbourne: Book Depot.
- Brett, J. 2003. *Australian Liberals and the Moral Middle Class*. Melbourne: Cambridge University Press.
- Brown, N. 1995. *Governing Prosperity: Social Change and Social Analysis in Australia in the 1950s*. Melbourne: Cambridge University Press.
- Butlin, N., J. Barnard and J. Pincus 1982. *Government and Capitalism*. Sydney: Allen & Unwin.
- Cairney, P. 2012. 'Complexity Theory in Political Science and Public Policy.' *Political Studies Review* 10:346–358.
- Cantril, H. (ed.). 1951. *Public Opinion 1935–1946*. Princeton, NJ: Princeton University Press.
- Clarke, M. 2015. 'Joe Hockey Defends Housing Comments, Accuses Critics of "Playing the Man".' ABC News, June 11. Available from <http://www.abc.net.au/news/2015-06-10/joe-hockey-defends-housing-comments/6534266> [Accessed 12 June 2015].
- Clarke, M. and J. Bennett. 2015. "'Get a Good Job": Hockey Accused of Insensitivity over Advice to First Home Buyers.' ABC News, June 9. Available from <http://www.abc.net.au/news/2015-06-09/joe-hockey-accused-of-insensitivity-over-sydney-house-prices/6532630> [Accessed 10 June 2015].
- Commonwealth Parliamentary Debates. 1945. *Commonwealth and State Housing Agreement Bill*, Second Reading, 13 September: 5385.
- DPMC. 2014. 'Reform of the Federation White Paper, Issues Paper 2: Roles and Responsibilities in Housing and Homelessness.' Available from [http://federation.dPMC.gov.au/sites/default/files/issues-paper/Housing\\_and\\_Homelessness\\_Issues\\_Paper.pdf](http://federation.dPMC.gov.au/sites/default/files/issues-paper/Housing_and_Homelessness_Issues_Paper.pdf) [Accessed 24 June 2015].
- DPMC. 2015. 'Reform of the Federation Discussion Paper (Draft).' Available from [http://federation.dPMC.gov.au/sites/default/files/publications/reform\\_of\\_the\\_federation\\_discussion\\_paper.pdf](http://federation.dPMC.gov.au/sites/default/files/publications/reform_of_the_federation_discussion_paper.pdf) [Accessed 24 June 2015].
- Geyer, R. 2012. 'Can Complexity Move UK Policy beyond "Evidence-based Policy Making" and the "Audit Culture"? Applying a "Complexity Cascade" to Education and Health Policy.' *Political Studies* 60:20–43.
- Geyer, R. and S. Rihani. 2010. *Complexity and Public Policy*. London: Routledge.
- Giddens, A. 2002. *Runaway World: How Globalisation Is Reshaping Our Lives*. London: Profile.
- Gilbert, A. D. 1987. 'Cities and Suburbs.' In A. Curthoys, A. W. Martin, and T. Rowse (eds.), *Australians from 1939* (pp. 77–97). Sydney: Fairfax, Syme and Weldon.
- Gray, G. 1995. 'Social Policy.' In S. Prasser, J. Nethercote, and J. Warhurst (eds.), *The Menzies Era: A Reappraisal of Government, Politics and Policy* (pp.211–227). Sydney: Hale & Iremonger.
- Greig, A. 1995. *The Stuff Dreams Are Made Of: Housing Provision in Australia 1945–1960*. Melbourne: Melbourne University Press.
- Hawke, B. 1994. *The Hawke Memoirs*. Melbourne: William Heinemann.
- Hayward, D. 1996. 'The Reluctant Landlords? A History of Public Housing in Australia.' *Urban Policy and Research* 14(1):5–35.

- Head, B. 2008. 'Wicked Problems in Public Policy.' *Public Policy* 3(2):101–118.
- Hocking, J. 2012. *Gough Whitlam: His Time, The Biography, Vol II*. Melbourne: Miegunyah Press.
- Howe, B. 2001. 'Reflecting on Better Cities.' *Australian Planner* 38(1):38–44.
- Janda, M. and M. Clarke 2015. 'Sydney Housing "Unequivocally" in a Bubble, Says Treasury Boss: PM Tony Abbott Happy to See House Prices Rising "Modestly".' ABC News, June 2. Available from <http://www.abc.net.au/news/2015-06-01/home-prices-retreat-in-may-but-annual-growth-strengthens/6511068> [Accessed 2 June 2015].
- Lindblom, C. E. 1979. 'Still Muddling, Not Yet Through.' *Public Administration Review* 39(6):517–526.
- Lloyd, C. J. and P. N. Troy. 1981. *Innovation and Reaction: The Life and Death of the Federal Department of Urban and Regional Development*. Sydney: Allen and Unwin.
- Macintyre, S. 2015. *Australia's Boldest Experiment: War and Reconstruction in the 1940s*. Sydney: New South.
- Mayer, H. 1956. 'Some Conceptions of the Australian Party System, 1910–50.' *Historical Studies: Australia and New Zealand* 7(27): 253–270.
- Menzies, R. 1943. *The Forgotten People and Other Studies in Democracy*. Sydney: Angus & Robertson.
- Menzies, R. 1967. *Central Power in the Australian Commonwealth*. Melbourne: Cassell Australia.
- Milligan, V. and S. Pinnegar 2010. 'The Comeback of National Housing Policy in Australia: First Reflections.' *International Journal of Housing Policy* 10(3):325–344.
- Milligan, V. and A. Tiernan 2012. 'No Home for Housing: The Situation of the Commonwealth's Housing Policy Advisory Function.' *Australian Journal of Public Administration* 70(4):391–407.
- National Archives of Australia (NAA). 1943. Minutes of Full Cabinet, 23 November, Parliament House, A2703, 53.
- Neilson, L. 2008. 'The "Building Better Cities" Program 1991–96: A Nation-building Initiative of the Commonwealth Government.' In J. Butcher (ed.), *Australian under Construction: Nation-building Past, Present and Future* (pp. 87–88). Canberra: ANU e-Press.
- Nicholls, S. 2014. 'Perpetuating the Problem: Neoliberalism, Commonwealth Public Policy and Housing Affordability in Australia.' *Australian Journal of Social Issues* 49(3):329–347.
- Oakley, S. 2004. 'Revisiting the Situatedness of Institutional Urban Management: The Politics of Urban Policy in Australian Federal Governance.' Refereed paper, *Australian Political Studies Association Conference*, University of Adelaide, 29 September–1 October 2004.
- Orchard, L. 1987. *Whitlam and the Cities: Urban and Regional Policy and Social Democratic Reform*. PhD thesis, School of Politics, University of Adelaide.
- Orchard, L. 2014. 'Loose Moorings: Debate and Directions in Australian Housing Policy.' In C. Miller and L. Orchard (eds.), *Australian Public Policy: Progressive Ideas in the Neo-liberal Ascendancy* (pp. 209–225). Bristol: Policy Press.
- Pressman, J. L. and A. Wildavsky. 1984. *Implementation: How Great Expectations in Washington Are Dashed in Oakland, Third Edition*. Berkeley and Los Angeles: University of California Press.
- Productivity Commission. 2004. *First Home Ownership*. Productivity Commission Inquiry Report, No. 28. Available from <http://www.pc.gov.au/inquiries/completed/first-home-ownership/report/housing.pdf> [Accessed 25 June 2015].
- Productivity Commission. 2010. 'Appendix I: A Case Study of Social Housing.' In *Contribution of the Not-for-profit Sector*. Research Report. Available from [http://www.pc.gov.au/\\_data/assets/pdf\\_file/0005/94712/28-appendixi.pdf](http://www.pc.gov.au/_data/assets/pdf_file/0005/94712/28-appendixi.pdf) [Accessed 30 May 2013].
- Pugh, C. 1976. *Intergovernmental Relations and the Development of Australian Housing Policies*. Research Monograph No. 15. Canberra: Centre for Research on Federal Financial Relations, ANU.
- Purdy, L. 2000. 'Future Directions in Social Housing Policy.' *Impact* September: 8–9.
- Ralph, J. 1999. *Review of Business Taxation*. Canberra: Commonwealth of Australia.
- Sharman, C. 1980. 'Fraser, the States and Federalism.' *Australian Quarterly* 52(1):9–19.
- Spaull, A. 1998. *John Dedman: A Most Unexpected Labor Man*. Melbourne: Hyland House.
- Simons, M. 2011. 'Who Should Look After the Cities?' *Inside Story*. Available from <http://insidestory.org.au/who-should-look-after-the-cities> [Accessed 23 September 2015].
- Stretton, H. 1971. *Ideas for Australian Cities*. Melbourne: Georgian House.
- Tiernan, A. and T. Burke. 2002. 'A Load of Old Garbage: Applying Garbage Can Theory to Contemporary Housing Policy.' *Australian Journal of Public Administration* 61(3):86–97.

- Troy, P. 2012. *Accommodating Australians: Commonwealth Government Involvement in Housing*. Sydney: Federation Press.
- Turnbull, M. 2015. 'Transcript: Changes to the Ministry.' Transcript of the Prime Minister, The Hon Malcolm Turnbull MP, Doorstop Interview, Canberra, 20 September. Available from <http://www.malcolmturnbull.com.au/media/Ministry> [Accessed 20 October 2015].
- Walter, J. 2010. *What Were They Thinking? The Politics of Ideas in Australia*. Sydney: UNSW Press.
- Weller, P. 1989. *Malcolm Fraser: A Study in Prime Ministerial Power in Australia*. Melbourne: Penguin.
- Whitlam, E. G. 1977. *On Australia's Constitution*. Melbourne: Widescope International.
- Whitlam, E. G. 1985. *The Whitlam Government, 1972–1975*. Melbourne: Penguin.
- Yates, J. 2013. 'Evaluating Social and Affordable Housing Reform in Australia: Lessons to be Learned from History.' *International Journal of Housing Policy* 13(2):111–133.