

Tuesday, 22 August 2023

The Honourable Julie Collins MP
Minister for Housing
by email to julie.collins.mp@aph.gov.au
CC: Vera Holenstein (vera.holenstein@treasury.gov.au)



Dear Minister Collins and Ms Holenstein

Knockdown rebuilds misrepresented in building data

We are writing to you today regarding a consistent misreporting of building completions in Canberra that may have repercussions on the implementation of National Cabinet's ambitious and welcome New Home Bonus scheme.

As Australia's largest grassroots urbanism network, the Abundant Housing Network Australia is invested in making sure National Cabinet's agenda delivers the fastest housing growth possible in places where people want to live.

It has been brought to our attention by Greater Canberra, our member organisation, that the ACT's model for counting infill targets includes "knockdown rebuilds".

Knockdown rebuilds are detached single residences that are demolished and replaced with another—typically larger—single residence. Counting knockdown rebuilds artificially inflates completion figures without adding any new homes. This misreporting was uncovered in an estimates hearing on 19 July 2023.¹

We are not sure how widespread this counting practice is with state planning departments around Australia but we want to ensure that the grant conditions for the New Home Bonus scheme do not artificially distort building incentives.

As such, building a duplex should be eligible for two homes' worth of incentive payments. However, a mere knockdown rebuild should not be eligible for any. This ensures that all projects delivering additional homes receive the full bonus for each home built, not just the net increase in stock.

This enables medium density projects to be on equal footing with high density projects. This is particularly important for smaller cities and regional Australia, where medium density development is more central to their planning strategy.

We are seeking assurances that the New Home Bonus's eligibility only applies to builds that result in a net increase in housing stock—not merely the total newly built homes.

Yours sincerely

Jonathan O'Brien | Abundant Housing Network Australia spokesperson
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¹ [Question taken on notice regarding infill targets and knockdown rebuilds](#), Evidence to the Select Committee on Estimates 2023-2024, ACT Legislative Assembly, Canberra, 19 July 2023, 69 (Ben Ponton)