



Meeting Australia's Housing Challenges

National Shelter Policy Platform

2012

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INTRODUCTION

Australia is in a time of great change and uncertainty, economically and politically. The uncertainty of international financial markets and the threat of a second global financial crisis are causing nervousness in Australia despite a strong domestic economy. The threat of climate change, and Australia's response through the creation of a carbon tax, are likely to bring about far-reaching changes in our economy and society. Our current political uncertainty has brought divisions in our society to the fore.

Housing policy has not been immune from this period of change. In its early years in office the Labor government brought in a number of new programs aimed at increasing the supply of affordable rental housing. More recently the Henry Review, *Australia's Future Tax System*, has created space for debate on a range of changes to the way housing is taxed and subsidised.

This policy platform represents National Shelter's contribution to ongoing debates about housing policy. It builds on previous policy platforms released in 2004, 2007 and 2009, and also on work conducted in the past two years with the aid of a grant from the Australian Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

ABOUT NATIONAL SHELTER

National Shelter is the peak non-government organisation representing the interests of low-income housing consumers, and has been in operation since 1976. It comprises representatives of Shelter bodies in all states and territories, and also includes national bodies Homelessness Australia, the Community Housing Federation of Australia and the National Association of Tenant Organisations. National Shelter cooperates closely with other national organisations such as the Australian Council of Social Service, and is a member of the National Affordable Housing Summit Group, the Community Organisations Housing Alliance and the campaign group Australians for Affordable Housing.

National Shelter advocates the development of a national housing policy based around the following principles:

- Housing is affordable. People on low and moderate incomes should not have to pay more than 30% of their income on housing costs.
- Housing is adequate. Everybody is entitled to housing that meets acceptable community standards of decency and their own needs.
- Housing is secure. People should not live under threat of loss of home and shelter. A secure base enables people to form constructive relationships, grow families and seek employment and community engagement.
- Housing is accessible. People should be informed about available housing options and access to these should be free from

discrimination. Most housing should be built to Universal Design principles.

- Housing is in the right place. It should be located close to services and support networks, to job opportunities, to transport networks and to social and leisure activities.
- Housing meets people's life-cycle needs. People have different housing needs at different stages of their lives, and housing should be available to match these changing needs.

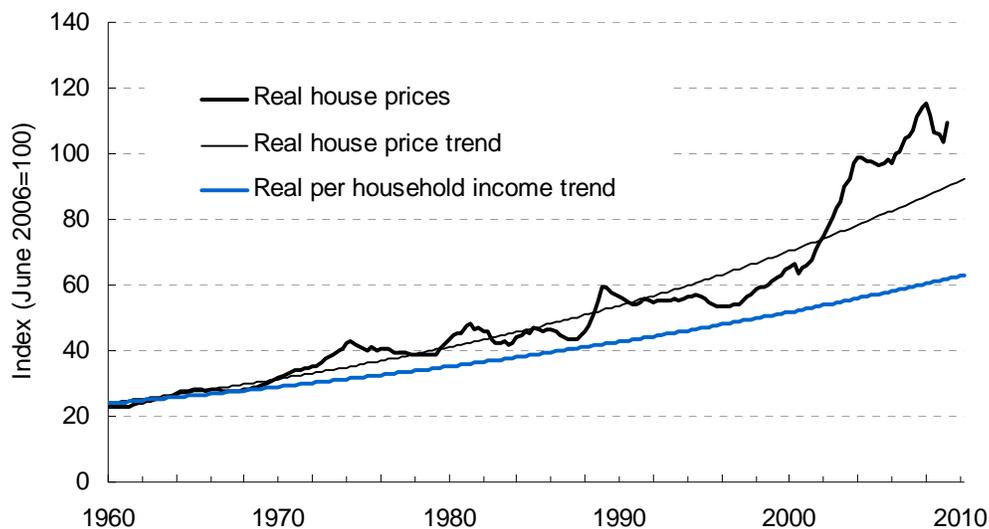
AUSTRALIA'S HOUSING CHALLENGES

Australia faces a number of housing challenges. In this policy platform we highlight four fundamental challenges for Australia's current housing market, and what needs to be done to make it work for all Australians.

Housing is unaffordable for ordinary Australians

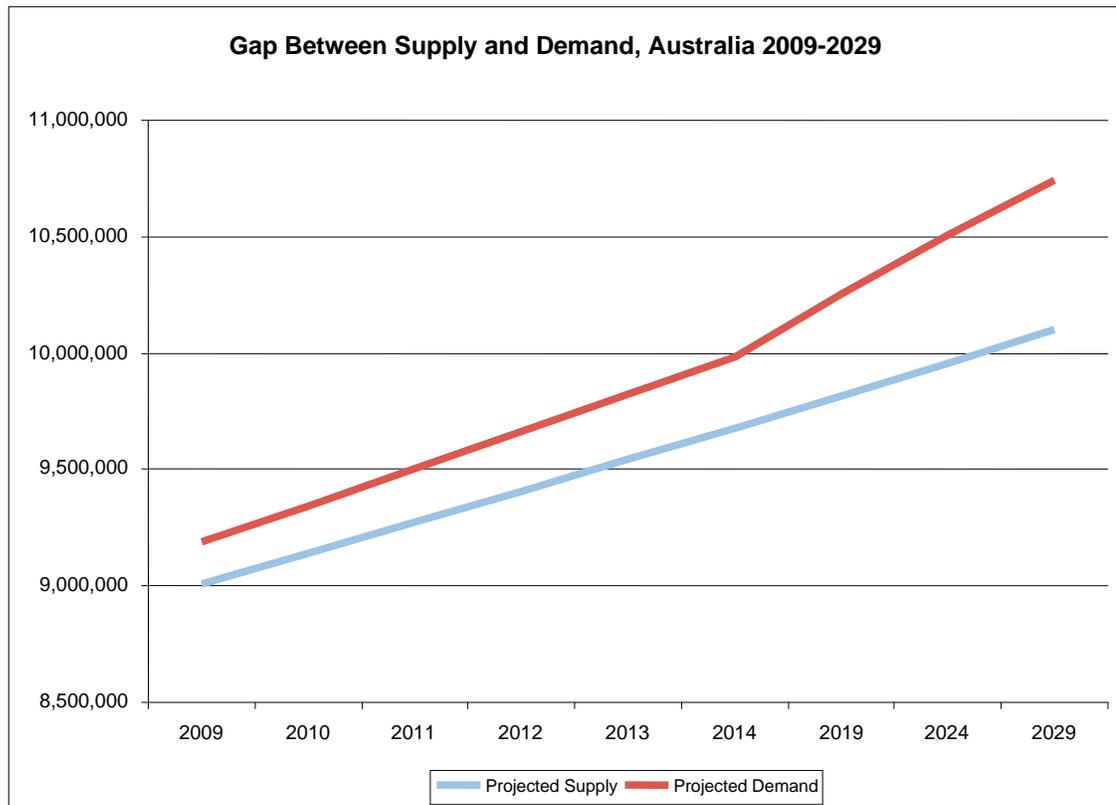
Despite the recent slow-down caused by the Global Financial Crisis and ongoing economic uncertainty, the long-term trend is for housing prices to rise faster than incomes. This has led to housing becoming increasingly unaffordable for Australian households, particularly younger people who are trying to enter the housing market. This affordability gap needs to be seen alongside rises in other key essential commodities such as power and food, all of which place increased financial pressure on low and moderate income households.

Figure 1: House Prices and Incomes, 1960-2010¹



This long-term affordability problem goes hand in hand with a problem of supply, as documented by the National Housing Supply Council. The Council has estimated a current shortfall of approximately 178,000 dwellings, with this shortfall projected to increase if nothing changes in our housing market.

Figure 2: National Housing Projections²



Australia needs substantial reform to make housing more affordable.

Australia's private rental market does not meet the needs of a large proportion of its tenants

With the price of home ownership so high, many Australians will spend long periods, even their whole lives, as tenants in the private rental market. However, the rental market is not currently set up to meet the needs of long term tenants. Its investors are mainly small household investors, and their attachment to the rental market is marginal. This means they are unable to provide any level of security to their tenants, and the regulation of the industry is based around short-term tenancies and short notice periods for eviction, even where there is no breach of tenancy conditions.

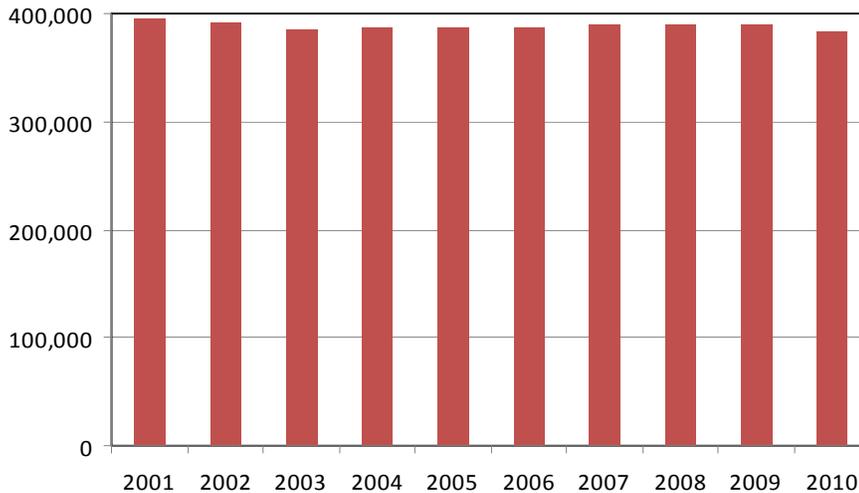
In addition, the private rental market is not affordable for many households. In 2007, approximately 445,000 lower income renters (in the lowest 40% of the income scale) were paying over 30% of their income in rent - this represents almost half of all lower income renters.

If the private rental market is to meet the needs of long-term renters it needs to be substantially re-oriented to make it more affordable, attract long-term investors, and provide more security for tenants.

Australia's social housing system is overburdened

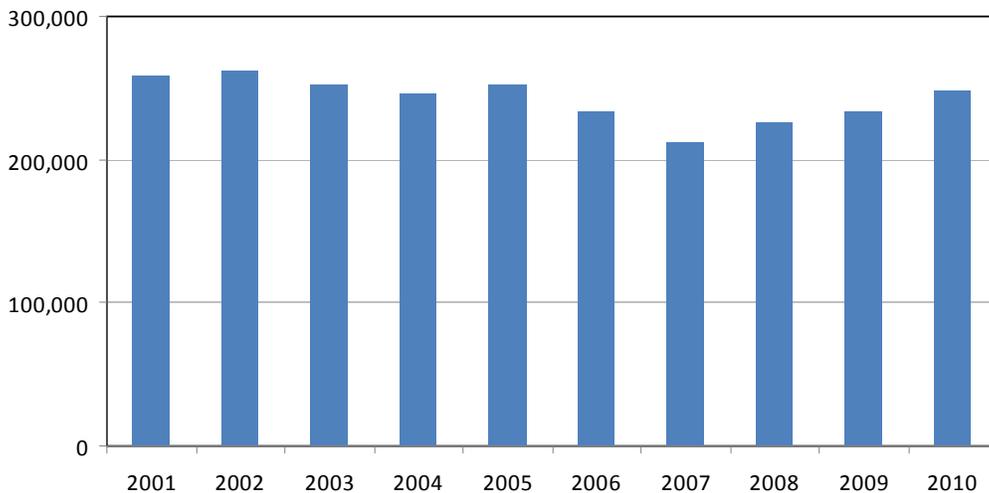
Despite population growth and decreasing housing affordability, Australia's supply of social housing (housing owned by governments or not-for-profit organisations and rented at affordable rents to low income households) remained static in the decade to 2010, with funding for new housing struggling to keep pace with the disposal of stock that reached the end of its useful life.

Figure 3: Number of Social Housing Dwellings³



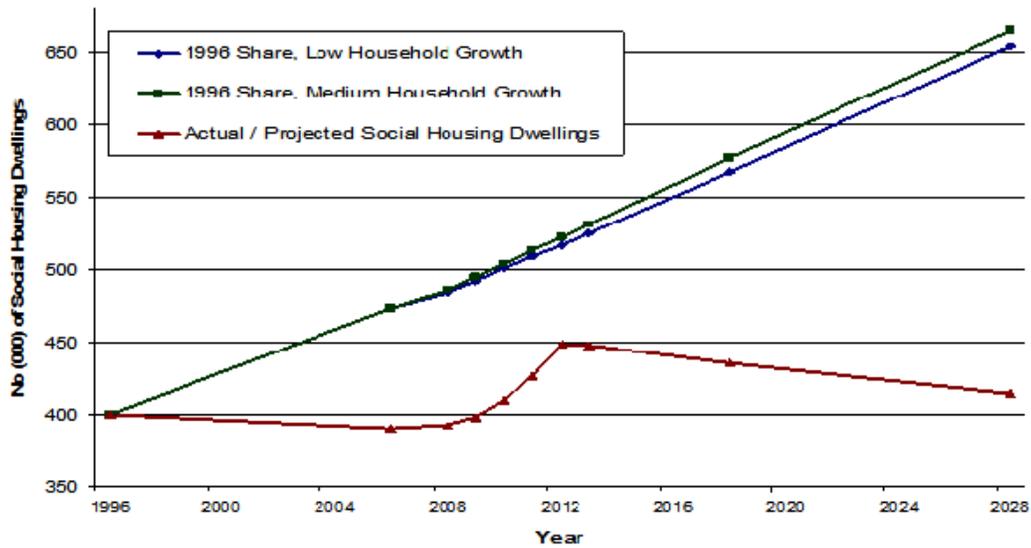
In the face of strong demand for public housing, most housing authorities have tightened eligibility criteria and culled their waiting lists, as well as changing allocation processes so that only the most disadvantaged get housed. Nonetheless, waiting lists for social housing remain long.

Figure 4: Social Housing Waiting Lists⁴



The recent Social Housing Initiative has resulted in a substantial one-off increase in the supply of social housing, providing much needed relief. However, ongoing funding commitments will see social housing continue to decrease as a proportion of overall housing supply. In this situation, both public housing authorities and community housing organisations struggle to meet demand and to deal with the social implications of an increasingly high need group of tenants.

Figure 5 - Projected social housing supply to 2028⁵

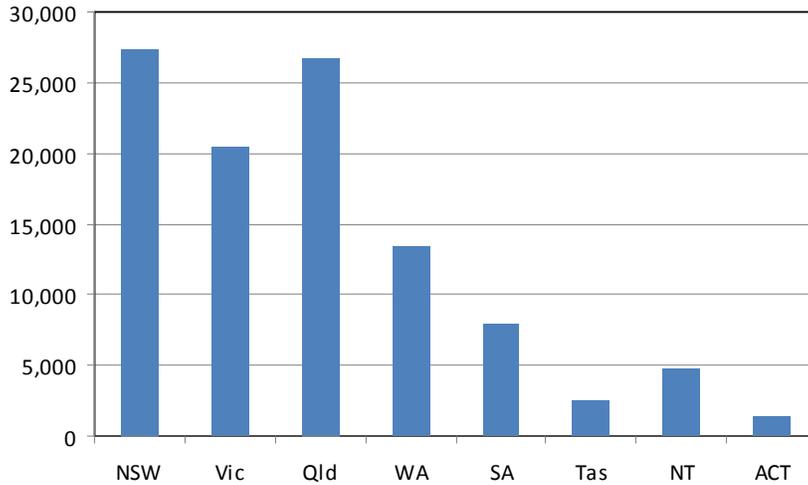


A substantial funding injection required over a number of years to maintain a viable social housing system.

Too many Australians are homeless or in inadequate housing

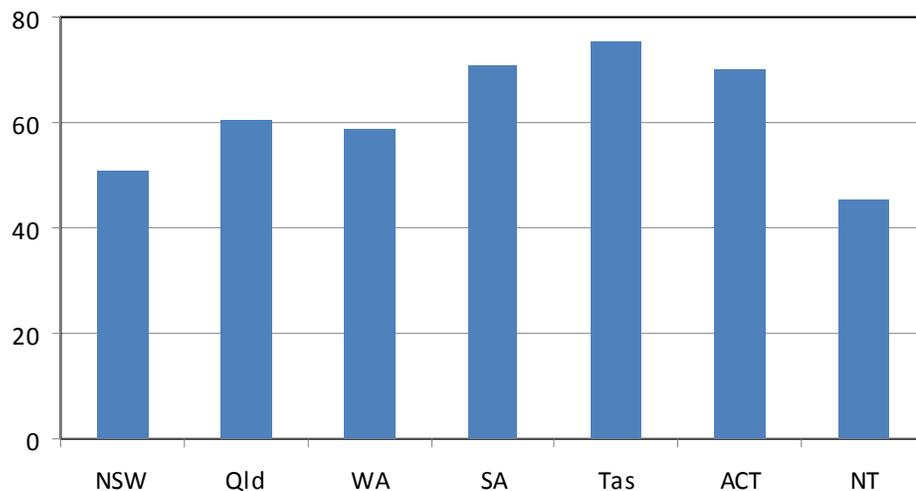
One result of these pressures is that many Australians continue to be homeless. Approximately 100,000 people were counted as homeless in the 2006 Census, and homelessness is found across Australia.

Figure 6: Homelessness by state and territory, 2006⁶



Despite recent injections of funds to improve homelessness services, these services are still struggling to meet the needs. On an average day in 2009-10, over half the people who asked for crisis accommodation were not able to be accommodated, with an average of over 350 people per day turned away.

Figure 7: Homeless People turned away from accommodation, daily average 2009-10⁷

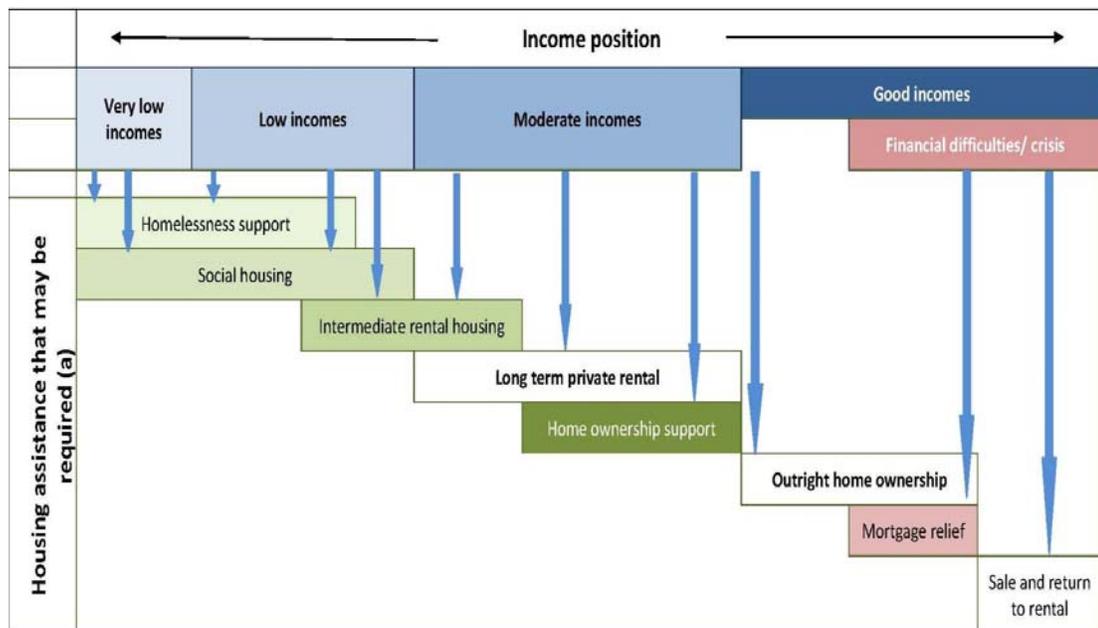


Without attention to the full range of issues covered in this policy platform, this situation is likely to continue. Homelessness services can only do so much if the wider housing system is not able to provide secure, affordable housing for people on low incomes.

MEETING THE CHALLENGES

Australians face a wide variety of individual housing circumstances and each of these requires a different kind of response. For most Australians, the current market provides a reasonable quality of housing at a price they can afford. However, a substantial minority (over one million households) are in housing stress and need some form of support. The type of support will vary according to their particular circumstances. This is illustrated in Figure 8 below.

Figure 8 - Matching Assistance to Need⁸



a) This diagram is intended to show the types of housing assistance that **may** be required by people depending on their income. Not all people on each income level will require support.

Meeting Australia's housing challenges requires a concerted effort on a number of fronts, including taxation, social security, housing assistance, homelessness and urban planning. This complex set of policies is represented in Figure 9.

Figure 9 - Meeting the Challenges



This represents a formidable coordination challenge for Australian governments, with responsibility for these areas split between departments at Commonwealth level and between various levels of government. It is impossible for all these areas of responsibility to be located in the one agency or Department, but it is important that they be well coordinated.

National Shelter recommends:

- *that the Australian Government appoint a single Minister for Housing, Homelessness and Urban Development with responsibility to coordinate housing-related policy decisions across agencies*
- *that the Council of Australian Governments (COAG) embed the National Affordable Housing Agreement as a permanent part of its decision-making, and expand it to include all forms of housing assistance, including funding for social housing, funding for affordable rental housing, rent assistance, programs to support home ownership and homelessness programs.*

Challenge 1: Making Housing More Affordable

The first challenge facing Australian governments is to make housing more affordable for Australians across the board, and particularly for those on low and moderate incomes. This challenge requires action on a range of fronts including tax reform, reform of planning systems and changes to the way we assist moderate income home purchasers.

Tax Reform

The Henry Review released its report, *Australia's Future Tax System*⁹, in May 2010. The report contained 16 housing and land-related recommendations covering the tax treatment of owner occupied and rented housing, land tax, planning processes and infrastructure charging, stamp duty, housing payments through the income support system, and funding for social housing. While the Government did not immediately accept these recommendations, they provide a solid basis for ongoing discussion of tax reform.

National Shelter does not support all these recommendations and our alternative views on the means of subsidising social housing and on delivery of Commonwealth Rent Assistance are documented in this policy platform. However, the review provides comprehensive groundwork for any taxation changes and it is important to take account of the whole package in any discussion as its proposals are frequently linked in complex ways.

National Shelter recommends:

- *that the Henry Review form the starting point for further discussion of tax reform around housing and land dealings*
- *that COAG work towards implementation over time of the following recommended changes:*
 - *a broad 40% savings income deduction as a replacement for the various current tax arrangements related to rental income, capital gains and interest*
 - *the replacement of State Government stamp duty with a broader-based land tax regime, with rates calculated based on the value of the land per m² rather than the current cumulative value, and integrated with local government rates*
 - *further examination of a tax on bequests*
 - *a review of infrastructure charging arrangements in the urban planning system*
- *that proposed changes to the tax arrangements governing not-for-profit activities be carefully drafted to ensure that the provision of affordable housing is included in the definition of charitable activities and unambiguously continues to attract tax concessions.*

Urban and Regional Planning

The Council of Australian Governments (COAG) agreed to a national agenda for Australian cities in December 2009. In March 2011 the Commonwealth Department of Transport and Infrastructure released a policy paper entitled *Our Cities, Our Future* which flagged the need for, and possible content of, a National Urban Policy. It suggested three goals for this policy - Productivity, Sustainability and Liveability - along with a series of detailed objectives and principles, and a summary action plan. This policy paper has been followed up with a detailed report, *State of Australian Cities 2011*, which provides a wealth of evidence to inform the specific strategies.

Shelter recognizes that urban and regional planning is primarily a role for state, territory and local governments, and that a national approach to this issue will be more about coordination, information sharing and funding. Within this context we support the ongoing Our Cities process and advocate for the following key issues.

National Shelter recommends:

- *that the Our Cities framework be expanded to consider major regional cities as well as capitals*
- *that ongoing discussions include the importance of affordable housing as essential infrastructure, and ways to ensure appropriately located supply including the use of levies and incentives in the planning system*
- *that the links between housing, employment and public transport systems be made explicit and addressed in detail*
- *that increases in urban density be explicitly linked to the provision of affordable housing, following the models established by State urban development authorities such as the South Australian Land Management Corporation and the Queensland Urban Land Development Authority.*

Affordable Home Ownership

There is a small but important segment of the population for whom the best housing assistance option is to provide a modest level of assistance towards accessing home ownership. This market segment is made up of households on moderate incomes who have the prospect of increasing their income over time and who are struggling to overcome the barriers to initial access to the home ownership market. Shelter supports programs which specifically target this segment of the market with support for home ownership.

As well as providing favourable treatment in the tax system for home purchasers, state and territory governments provide a range of direct grants to home owners. The Commonwealth Government has provided various forms of assistance to first home purchasers on and off since 1964, with the current form of the grant introduced by the Howard Government in 2000 in the context of the introduction of the GST¹⁰.

Under the current scheme all states and territories provide a base level of \$7,000 under the First Home Owners Grant, a nationally consistent scheme run by each state and territory government but funded by the Commonwealth. Many states and territories supplement this base grant with extra payments. While not all governments provide readily accessible data on the take-up of these schemes, in 2010-11 the Queensland, New South Wales and Victorian Governments between them assisted over 75,000 households at a cost of almost \$800m¹¹.

These schemes are currently not means tested, although some states and territories limit grants to the purchase of dwellings below a certain value which varies between jurisdictions. Their key policy objectives are often more about stimulating the construction industry and maintaining house values than about assisting people on low incomes. National Shelter's view is that the substantial resources that go into this scheme could be much better targeted at assisting low and moderate income home purchasers.

National Shelter recommends:

- *that COAG conduct a comprehensive review of the value and effectiveness of the various grant programs for first home owners, within the framework of the National Affordable Housing Agreement*
- *that the First Home Owners Grant be recast as a program to assist low and moderate income home purchasers with their up-front costs, and that it be means tested and opened to households who may not be first home purchasers*
- *that the National Affordable Housing Agreement support the continued development of shared equity programs and other alternative home loan mechanisms*
- *that the National Affordable Housing Agreement continue to support the development and operation of mortgage relief programs for households at risk of losing their home*
- *that the Australian Government support implementation of alternative tenure models such as Community Land Trusts and land-leasing options.*

Challenge 2: Reforming the Private Rental Market

The private rental market continues to be the main provider of housing for low income households. Research suggests that the decreasing affordability of home purchase and the tightening of eligibility for social housing programs mean that many households will spend extended periods in private rental. However, the market is still very much geared around short-term housing, with tenants on short-term leases and owners primarily small investors who rely on negative gearing and capital growth to make the housing a viable investment.

If private rental is to be a viable long-term tenure for households, there is a need for substantial reform in a number of areas.

Changing the Investment Mix

Of primary importance is encouraging changes to the patterns of investment in the private rental sector, shifting away from small investors towards institutional investors and structures that develop long-term rental investment. The creation of the National Rental Affordability Scheme (NRAS) has begun to develop this sector. Further work is required on tax and funding issues to further transform rental investment.

National Shelter recommends:

- *that the Australian Government continue to explore the 40% savings income deduction recommended by the Henry Review as an alternative to (among other things) negative gearing of rental income*
- *that the Australian Government support the creation of vehicles such as unit investment trusts (in which investors can invest in the overall fund instead of in individual properties) and Affordable Housing Bonds for attracting and managing institutional investment in rental housing*
- *that the National Housing Supply Council continue to monitor the supply and quality of housing at the bottom end of the rental market to provide an evidence base for future policy interventions.*

Improved Consumer Protection

Along with a shift in patterns of investment in rental housing, it is important that tenants be given the kind of legal protections that are appropriate for a long-term housing option. Shelter recognizes that tenancy law is primarily a state and territory responsibility, and that at the national level the main focus will be on coordinating legislation and developing best practice models.

National Shelter recommends:

- *that the Australian, state and territory governments work together to develop best practice standards for tenancy legislation*
- *that these best practice standards include*
 - *improved coverage of marginal forms of housing such as boarding houses and caravan parks*
 - *better protection against eviction, including limits on “without grounds” evictions and extended notice periods*
 - *ongoing regulation of residential tenancy databases*
 - *minimum standards of safety and habitability*
 - *mitigation of excessive rent increases*
 - *development of a framework for longer term leases.*

Improved Rent Assistance

Given that many low income households do not have access to affordable housing, financial assistance through the income support system is the only way they can cope with housing costs. However, over recent years the rate of payment has failed to keep pace with rent increases. The Harmer Pension Review found that because the rate of Commonwealth Rent Assistance (CRA) is indexed to overall inflation, not to increases in rents, pensioners are on average \$9 to \$10 per week worse off over the period from 2000 to 2009¹². In addition, many low income households are not eligible for CRA because it is only available to people on some categories of Centrelink payment.

It is important to note that rent assistance can only be effective in the context of adequate supply of rental housing, both in the private rental market and in the social housing sector. The provision of rent assistance will not in itself promote adequate supply, and the recommendations here need to be seen alongside recommendations about changing private rental investment, and more specifically about rent and subsidy arrangements in social housing.

National Shelter recommends:

- *that the Australian Government increase the maximum rate of Commonwealth Rent Assistance by 30% (approximately \$15 per week for those receiving maximum allowance)*
- *that this amount be indexed to the rental component of CPI from 2012 onwards*
- *that eligibility be extended to all people who meet income test requirements, irrespective of their source of income.*

Intermediate Rental Housing

Increased targeting of social housing has left an increasing number of low income tenants wholly dependent on the private rental market. The National Rental Affordability Scheme, in operation since 2008, represents the key national program aimed at filling this gap. The original Australian Government commitment to this program is to deliver 50,000 new

affordable rental dwellings by 2012, with a further 50,000 to be delivered in the subsequent five years if there was a continuing need. As well as delivering much needed affordable rental housing for those who are no longer able to access social housing, this program has begun the process of transforming patterns of investment and management in private rental housing discussed above.

National Shelter recommends:

- *that the Australian Government confirm its commitment to continuing this program into its second five-year period*
- *that the performance of the program in the first five years be evaluated, the evaluation results made public and improvements put in place for the second period to increase its flexibility as an investment incentive, to streamline approval and oversight processes and market the scheme more effectively to the investment sector.*

Challenge 3: Revitalising Social Housing

A quality social housing system, in which governments and not-for-profit organisations own housing and rent it at affordable rents to low income households, remains vital to a fully functioning housing market. For many households it represents their only option for secure, affordable housing. After years of stagnation in which housing authorities struggled to maintain their level of service in the face of inadequate funding and increasing need, 2009 and 2010 saw a substantial one-off injection of funds through the Social Housing Initiative of the Nation Building Economic Stimulus Plan. This initiative, when completed, will result in almost 20,000 extra social housing dwellings as well as upgrades to approximately 80,000 existing dwellings.

However, as Figure 5 shows (page 6), ongoing funding commitments are far from sufficient to maintain a viable social housing system that can cope with the level of demand. The challenge for the renegotiation of the National Affordable Housing Agreement (NAHA) in 2011 is to deliver an ongoing commitment to both construction of new social housing, and sustainable funding of the existing housing.

Increased Supply

The first challenge is to deliver a sustained increase in the supply of social and affordable rental housing over the coming decade. This housing needs to be provided through a mix of programs including the continuation of the NRAS program, and the continued expansion of social housing at the rate achieved as a result of the Nation Building Social Housing Initiative.

National Shelter recommends:

- *that through the next renegotiation of the National Affordable Housing Agreement, the Australian, state and territory governments commit to the delivery of an extra 200,000 social housing dwellings by 2021, at an approximate annual cost to the Australian Government of \$2.5b per year above existing commitments, assuming a 25% contribution by the states and territories¹³*
- *that this growth funding be distributed to states and territories on a per capita basis.*

Sustainable Funding

The reorientation of social housing towards housing higher-need households has placed increasing financial pressure on the system, with rental income unable to fund the ongoing cost of managing and maintaining the housing. This has meant that for the past decade or more, the capital funds provided to build new housing have been offset by the sale of older housing to subsidise maintenance of the remaining stock, leaving a static supply. It is important that a new NAHA put this operational funding on a more sustainable footing.

National Shelter recommends:

- *that the renegotiated NAHA incorporate an operational subsidy for existing social housing managed by state and territory governments, equivalent to the maximum rate of Commonwealth Rent Assistance payable for households in comparable private dwellings*
- *that this operational subsidy be provided on a “per dwelling” basis for existing social housing, to avoid penalizing states and territories which have a history of more generous social housing funding.*

Increased Diversity of Provision

Through the Social Housing Initiative, the Commonwealth, states and territories have agreed to the objective of transferring a substantial proportion the existing stock of social housing to community housing providers as a way of fostering diversity of provision, improving financial sustainability and creating opportunities to leverage private finance for the development of new social and affordable housing. Shelter strongly supports this direction in the context of a coordinated growth strategy, but maintains that the viability of the government-managed social housing system needs to be protected in the transfer process.

Many non-government providers are also diversifying their stock of housing, managing some housing under conditions similar to public housing with income-related rents and needs-based allocation, but also taking up housing under the National Rental Affordability Scheme and State and Territory affordable housing programs, often rented at a proportion of market rent and available to people on low to moderate incomes. Many have also made use of mixed developments with some dwellings in developments sold to the market. This approach allows for more financially sustainable operations, and for more socially sustainable communities with a mix of residents. This diversity of approach needs to be encouraged in future program arrangements through flexibility in financing and management arrangements, allowing housing to be shifted between programs provided overall targets for different types of tenants are met.

National Shelter recommends:

- *that the National Affordable Housing Agreement reaffirm the commitment to transfer a substantial proportion of social housing stock to community housing organisations to facilitate growth*
- *that the rights of tenants, including their security of tenure, security of rent levels, and access to complaints and redress mechanisms, be preserved in any transfer processes*
- *that the Commonwealth, states and territories proceed with implementation of the national regulatory framework for community housing*
- *that this regulatory framework be administered independently of the government departments managing public housing, and be applied to state and territory housing departments as well as to community housing organisations*

- *that the Commonwealth, states and territories continue to work towards the flexible delivery of affordable rental housing to maximise both financial and social sustainability.*

Improved Rent Policies

Social housing managers, both in the government and community sectors, rely on rental income to meet their operational costs. At the same time, rent policies are designed to ensure ongoing affordability for tenants, with most social housing charging rent based on the household's income. This provides a guarantee of affordability for low income tenants, especially where their income reduces over time. However, if not carefully managed it can place strains on the financial viability of providers, and this strain has increased in recent years with a shift in allocations towards higher need tenants. This is a matter which will require careful thought in the coming years.

National Shelter recommends:

- *that income-based rents continue to be used for the lowest income tenants to ensure affordability*
- *that providers be given opportunities to diversify their housing and tenant base as outlined in the previous section, as a way of improving sustainability*
- *that community housing tenants continue to have access to Commonwealth Rent Assistance as a way of increasing their capacity to contribute to the cost of their housing*
- *that the Productivity Commission be asked to examine the long term effectiveness of the current ways of subsidising rents, including Commonwealth Rent Assistance, income based and market based rents, and to recommend the most effective way to ensure affordability for tenants within a sustainable system.*

Improved Allocation Processes

The 2009 National Affordable Housing Agreement included a commitment by states and territories to work towards common housing registers and allocation policies. A number of states and territories have made considerable progress in implementing these mechanisms. They typically involve a single state- or territory- wide register of housing need, accessed by all social housing providers. They vary, however, in the degree to which allocation processes are centralised. Shelter remains supportive of the development of common registers, while aware that such schemes have a number of implementation issues and need to be carefully evaluated and improved over time.

National Shelter recommends:

- *that state and territory governments continue to work towards the creation of common housing registers*

- *that social and affordable housing providers allocate from these registers but retain control of their own allocation processes within a set of overall guidelines*
- *that allocation of social housing be based on housing need, but that this does not necessarily mean that the highest need households will always be housed first, as providers need to match tenants with the available housing and the neighbourhoods in which it is located*
- *that to be properly effective, such mechanisms need to operate in an environment of increasing supply - hence these recommendations need to be read in the light of our recommendations about supply.*

Improved Aboriginal and Torres Strait Islander Social Housing

Aboriginal and Torres Strait Islander peoples continue to experience higher levels of housing disadvantage than other Australians, including more homelessness, more overcrowding, lower levels of home ownership and higher levels of housing stress. It is important that governments remain focused on solving these problems in remote communities and in urban and regional Australia. In 2010 and 2011 National Shelter has sponsored two Aboriginal and Torres Strait Islander Housing round tables, bringing together people involved in Aboriginal and Torres Strait Islander housing from around the country. While not a formally representative group, these meetings have provided a national perspective on Aboriginal and Torres Strait Islander housing issues, from which the following recommendations are drawn.

National Shelter recommends:

- *that within the overall growth funding recommended above, funds be allocated to provide an extra 20,000 Aboriginal and Torres Strait Islander social housing dwellings by 2021*
- *that Aboriginal and Torres Strait Islander community housing providers be supported with funding and capacity development to play a significant role in developing and managing this additional housing*
- *that funds for identified urgent maintenance be released without delay to enable the upgrade of substandard Aboriginal and Torres Strait Islander social housing*
- *that Australian, state and territory governments engage in good faith with Aboriginal communities and their representatives over both the implementation of Aboriginal community controlled housing, and improvements to mainstream social housing to improve access for Aboriginal and Torres Strait Islander households*
- *that Australian, state and territory governments work with Aboriginal and Torres Strait Islander representatives to develop and implement programs to support access to private rental and home ownership for Aboriginal households.*

Challenge 4: Combating Homelessness

The level of homelessness in Australian society remains a major challenge for Australian, state and territory governments.

Reform of Homelessness Services

Since 2009, Australian, state and territory governments have been working with homelessness services to implement the National Partnership Agreement on Homelessness. This has seen significant new funds put into innovative service models and prevention and early intervention services, as well as the beginnings of a reorientation of the homelessness service system as a whole. This reform initiative has shown immediate results, with turnaway rates from homelessness services dropping for the first time in five years¹⁴. National Shelter is strongly supportive of the continuation of these initiatives.

National Shelter recommends:

- *that the Australian, state and territory governments commit to the continuation of the National Partnership Agreement beyond 2013*
- *that services continue to focus on prevention and early intervention and continue to develop the “housing first” approach being used in some of the newer services*
- *that support services for households who are homeless or at risk of homelessness be matched to housing allocations to ensure both that housing is available and that households can maintain their housing over time*
- *that improved homelessness services continue to be accompanied by expansion in supply of social housing so that long term housing is available for people exiting homelessness services.*

Marginal Housing

Many high need households end up in marginal forms of housing such as caravan parks and boarding houses. While some households choose these forms of housing for lifestyle or locational reasons, many live in them because they have no choice. Such households are often only one step from homelessness. Housing in this segment of the market can often be substandard, and protection for tenants can either be non-existent or, in states and territories where it does exist, can be weak or poorly enforced. Addressing the needs of households in this sector is an important element of combating homelessness.

National Shelter recommends:

- *that Australian, state and territory governments continue to work together to improve regulation of this sector, including tenancy protection and effective regulation of physical and management standards*

- *that governments increase funding to services which provide support and advocacy for tenants in marginal forms of housing*
- *that through the NAHA, governments continue to develop social housing alternatives to these forms of housing which can provide better physical conditions and greater security than private sector provision*
- *that the Australian Government support the National Housing Supply Council to include supply of these forms of housing in its overall analysis.*

ENDNOTES

¹ Taken from Dr Judith Yates, *Housing Affordability - Who Is the Most Affected?*, adapted from *Australia's Housing Affordability Crisis*, in *The Australian Economic Review*, vol. 41, no. 2, pp. 200-14, 2008. Figures from Productivity Commission (2004) to 2003, updated by ABS Cat no. 6416.0 to 2009

² Source: Adapted from National Housing Supply Council *State of Supply Report 2010*

³ Australian Institute of Health and Welfare, *Housing assistance data development series reports for public rental housing, community housing, and state owned and managed Indigenous housing.*

⁴ Australian Institute of Health and Welfare, *Housing assistance data development series reports for public rental housing, community housing, and state owned and managed Indigenous housing.* The data for 2004, 2005 and 2006 does not include the Northern Territory (as it was not available).

⁵ Source: Adapted from National Housing Supply Council, *State of Supply 2010*, p 89

⁶ Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no. 2050.0, 4 September 2008, table 8.4, number of homeless people by state and territory, p. 46.

⁷ Australian Institute of Health and Welfare, 'Government-funded specialist homelessness services, Supported Accommodation Assistance Program national data collection annual report, 2009-10, Australia, 'People turned away from government-funded specialist homelessness accommodation 2009-10, appendix', June 2011, table A5, p. 5. Note Victorian data for this category was unavailable

⁸ Adapted from a diagram in *Delivering places where people live and achieving meaningful customer choice*, presentation by David Cowans, Group Chief Executive, People for Places UK at the International Social Housing Summit 2010

⁹ *Australia's Future Tax System*, Report to the Treasurer, December 2009 (released May 2010), sourced from

http://taxreview.treasury.gov.au/content/Content.aspx?doc=html/pubs_reports.htm

¹⁰ Saul Eslake, "Billions in handouts but nothing gained", *Sydney Morning Herald*, 16 March 2011, accessed at <http://www.smh.com.au/business/billions-in-handouts-but-nothing-gained-20110315-1bvvs.html>

¹¹ Data sourced from information posted on the websites of the Queensland, NSW and Victorian Treasury Departments, current as at November 2011

¹² Commonwealth of Australia, *Pension Review Report*, Dr Jeffrey Harmer, Department of Families, Community Services and Indigenous Affairs, February 2009, p 52

¹³ This calculation is based on 70,000 new dwellings provided under NRAS with a total subsidy of \$100,000 per dwelling, and 130,000 social housing dwellings at an average cost of \$350,000 per dwelling. The total cost of this provision over ten years is approximately \$52b of which the Australian Government would be responsible for just under \$40b or \$4b per year. Approximately \$1.5b is currently committed each year in various programs.

¹⁴ Australian Institute of Health and Welfare, *People turned away from government-funded specialist homelessness accommodation 2009-10*, June 2011, Appendix p 8