



Submission to Australian Treasury

Measuring What Matters

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1. Introduction

National Shelter welcomes the opportunity to make a submission to help frame Measuring What Matters, so we can highlight important indicators that improve a person's quality of life and encourage decision-maker to prioritise these important metrics.

Measuring What Matters should be designed to improve the overall wellbeing of people across the nation. To achieve this, National Shelter believes that we must not only think of the components that support good wellbeing, but we must also consider about how we raise the living and wellbeing standards for the most vulnerable people in our communities. Our country is being measured by the rest of the world (now and in the future) not by those with the highest standards of living, but by those with the lowest.

National Shelter strongly supports the inclusion of wellbeing measures at a national level and requests that these measures influence government investment and decision-making, to ensure the greatest effort and attention is given to raising the living and wellbeing standards for those people with the lowest living conditions in the country, ahead of increasing the wellbeing standards of those people who already have some much.

National Shelter looks forward to working with Treasury on the development of the Wellbeing Framework. We hope to support the implementation of national measures that promote the wellbeing of all people living in Australia and raise the stand of living for those whose housing is contributing to ill health and poor wellbeing.

1.1 About National Shelter

National Shelter is a non-government peak body that aims to improve housing access, affordability, appropriateness, safety and security for people living on low incomes. Since 1975, National Shelter has worked towards this goal by influencing government policy and action, and by raising public awareness about housing issues.

National Shelter's aim is to work towards every Australian having access to housing that is:

- affordable — people should not be living in poverty after they have met their housing costs
- adequate — everybody is entitled to housing that meets basic standards of decency and their own basic needs
- secure — people should not live under a threat of loss of home and shelter
- accessible — access to housing should be free from discrimination and conform with universal design principles, at a minimum.
- in the right place — housing should be located close to transport, services and support networks, job opportunities, and social and leisure activities
- able to meet their lifecycle needs — people have different housing needs at different stages of their lives, and housing should be available to meet these changing needs

National Shelter is supported by the work of State Shelters and members in all jurisdictions and its national member organisations, sponsors and associate members.

2. Overview

In preparing this response, National Shelter has reviewed measures recommended by the Organisation for Economic Co-operation and Development (OECD) and from select countries implementing wellbeing budgets and wellbeing indicators, including New Zealand, Germany, Canada

and Iceland. Information has also been considered from the Wellbeing Economy Alliance (WEAll), Gallup Global Happiness Centre and the World Economic Forum.

Housing is a fundamental aspect to one's life and therefore measures interact broadly across many budgets and departments. To be able to have positive feelings of wellbeing it is important to have security, and for most people that includes having a home. With this in mind, we acknowledge that housing interacts, and often underpins many other indicators of wellbeing. However, in the interest of providing a concise list of potential indicators that are understandable and measurable, we have focused this paper on primary housing indicators. National Shelter would like to highlight the importance of home and suggest housing is featured across the measure what matters indicators.

It is well accepted that housing is a social determinant of health and wellbeing and contributes to physical and mental healthⁱ. There is no more compelling case than the role of housing during COVID-19, where people who were not housed or poorly housed were provided immediate assistance and better housing, and that households in poor housing condition (including overcrowding) were more susceptible to contracting COVID^{ii iii iv}.

Housing that is well located, secure, and affordable is central to people's ability to participate both socially and economically. Households can participate more readily in education, training and employment opportunities, as well as participate in their communities. Housing has the ability to bridge equity gaps. We also know that poor housing through overcrowding and marginal housing tenures are indicators of homelessness.

There are existing measures available to the government to form the basis of wellbeing measures. This includes the Report on Government Services (ROGS), Australian Institute of Health and Welfare (AIHW) housing and homelessness reporting, the National Social Housing Survey, and Census data.

3. Proposed measures

National Shelter aims to improve housing access, affordability, appropriateness, safety and security for people on low incomes. It is therefore National Shelter's approach to provide indicators that highlight inequality in peoples housing situation, improve the standard of housing for people living on the lowest incomes and proactively address housing supply concerns, so our homes serve future demands and lifestyles.

It is with this view we have considered wellbeing measures to improve the lives of people within the following domains:

- have **choice and control** over our own lives including having a stock of housing that is appropriate, affordable, allows for ageing in place, and housing security
- can accumulate **wealth and** have **prosperity**, to have confidence and financial security now and in the future, particularly during retirement,
- are **healthy** and have good **wellbeing** to enjoy our lives; by being active, connect with family, friends and our communities, enjoy the protection of a safe home and can live in a healthy environment and climate, participate in education, training and employment, and
- have adequate **housing supply** so everyone can access and live in an appropriate home, now and into the future.

The table below of the domains, includes themes and appropriate indicators, and provides examples of existing data sources (where available). Some themes and indicators are placed in more than one domain.

All indicators link to existing government housing priorities including the Housing Australia Future Fund (HAFF), the National Housing Accord, and the development of a National Housing and Homelessness Plan.

Theme	Indicator	Further information	Domain.
Supply of social and affordable housing	<ul style="list-style-type: none"> • The proportion of total dwellings that are social housing. • The proportion of total dwellings that are affordable housing. 	<p>There is a clear government commitment to expand the supply of social and affordable housing through the HAFF and the National Housing Accord.</p> <p>These indicators could be measures utilising existing data in ROGS and AIHW. Further investigation would be required about the best way to measure affordable housing, but this is not insurmountable¹.</p> <p>As well as the government housing priorities, this indicator links to the National Plan to End Violence Against Women and Children which notes the importance of social and affordable housing to respond to women and children escaping family and domestic violence.</p>	<p>Choice and control</p> <p>Health and wellbeing</p> <p>Housing supply</p>
Housing affordability	<p>The portion of households who are in housing stress:</p> <p>The proportion of low-income households who rent who pay more than 30% of their income on rent</p> <p>The proportion of low households who are purchasing who pay more than 30% of their income on rent</p>	<p>The use of 30% of income on households to measure housing stress is well accepted and could be measured utilising existing ABS datasets, as well as ROGS and AIHW.</p> <p>The use of the 30:40 rule for housing stress for low-income households (those on the bottom two quintiles) is also well accepted.</p> <p>This indicator would use existing data primarily through the Census and other ABS data.</p>	<p>Choice and control</p> <p>Wealth and prosperity</p>
	<p>The proportion of households who are in poverty before paying for housing costs by housing tenure</p> <p>The proportion of households in poverty after housing costs by tenure.</p>	<p>Taking housing costs into account provides a more accurate picture of poverty by estimating the incomes that households have left to spend on their living expenses after the cost of their housing has been met and comparing these to overall poverty standards. It indicates whether households are able to have a reasonable standard of living and meet their other needs once housing has been paid for.</p>	<p>Choice and control</p> <p>Wealth and prosperity</p>

¹ Refer to submission by the Community Housing Industry Association on Measures that Matter.

		This indicator can be measured utilising existing ABS data, such as the Survey of Household Expenditure, Income and Housing as well as the Census.	
	The proportion of households in receipt of Commonwealth Rent Assistance who are remain in housing stress following receipt of payment	This measures the effectiveness of government payments to low-income private rental households, and whether government assistance is resulting alleviating housing stress. This is currently measured through ROGS, as the proportion of income units receiving CRA who are still paying more than 30% of income on rent.	Choice and control
Housing security	The length of tenancy at a property in the rental market Reasons for ending of tenancy in the rental market	This would measure the mobility of renters and whether renters are moving out of choice or factors beyond their control (eviction by property owner, unaffordable rent). Forced moves are detrimental to households – they are costly and result in dislocation from communities and support networks. This can have long term implications on health, education, and employment outcomes. The longer a household resides at an address the more likely the household is able to achieve ontological security and make a home. This data is available in each state and territory through bonds lodged and could form part of the data provided in a new National Housing and Homelessness Agreement.	Choice and control
Homelessness	Rates of homelessness (including by location, age, gender, and Indigenous identification) Reasons for seeking assistance of homelessness Duration of homelessness Response provided by the service provider	These measures will indicate who is experiencing homelessness, the contributing factors, frequency of homelessness, and whether responses that are available to them have provided a sustainable outcome. These measures are already available through ROGS and AIHW, as well as the Census.	Choice and control Health and wellbeing
Prosperity	Rates of home ownership/home purchase. Proportion of loans approved to first home buyers.	Wealth inequality and housing, particularly for people in retirement, is a considerable and growing issue. Planning for retirement is predicated on home ownership, but an increasing number of households are not likely to own a home at	Wealth and prosperity Choice and control

	<p>Proportion of loans approved for women headed households.</p> <p>Proportion of loans approved for low-income households.</p> <p>Proportion of loans approved for First Nations households.</p>	<p>retirement, with many either renting privately or still paying off a mortgage. This has implications for retirement incomes and health and wellbeing in older age.</p> <p>We are currently seeing this issue with increasing numbers of older women who are experiencing housing precarity and homelessness. As well as being a gendered issue, it disproportionately affects lower income households. Home ownership rates of First Nations households are comparatively very low. Home ownership creates wealth and prosperity for households but also creates security of tenure and the benefits that emerge from it.</p> <p>As well as the housing priorities of government, this measure links to government priorities of the development of a Gender Equality Strategy.</p>	
Healthy homes	<p>The proportion of new dwellings that meet a minimum of 7 stars under the National Housing Energy Rating Scheme NatHERS to meet the National Construction Code.</p> <p>The proportion of existing dwellings undergoing renovation/modification that meet the a minimum of 7 stars under the NatHERS to meet the National Construction Code.</p>	<p>Housing can be harmful in extreme weather and can the costs of heating/cooling can be a significant ongoing cost to households. Low-income households are less likely to have the resources to make substantial energy improvements, and private renters require the approval of the property owner before making enhancements to the property.</p> <p>An increase in the proportion of dwellings, both new and those being renovated, to a minimum rating will mean an increase in housing that is healthy for residents and reduce their ongoing costs.</p> <p>As well as the housing priorities, these indicators are linked to government priorities on a National Energy Performance Strategy.</p>	Health and wellbeing
Appropriateness of housing	<p>Housing has an appropriate number of bedrooms for the size of the household.</p>	<p>Overcrowding is an indicator of homelessness. It disproportionately affects First Nations communities and has detrimental health and wellbeing outcomes. The impact of overcrowding was prominent during COVID.</p> <p>This indicator could be measured utilising the existing data of the ABS through the Census when reporting on homelessness, as well as ROGS data on social housing.</p>	<p>Choice and control</p> <p>Health and wellbeing</p> <p>Housing supply</p>

	<p>The proportion of new residential construction that meets the Silver Standard and the Gold Standard of the Livable Housing Design Guidelines in the National Construction Code.</p> <p>The proportion of existing residential dwellings undergoing substantial renovation and modification that meets the Silver Standard and Gold Standard of the Livable Housing Design Guidelines in the National Construction Code.</p>	<p>A significant proportion of people with disability live in private housing, either purchase or rental. The ability to live in a home that is accessible is critical to ensuring that people with disability are able to have choice and control over their housing, their independence, and participate both economically and socially. Almost all states and territories are signatories to the NCC livable housing provisions, and it is critical that this is measures.</p> <p>The data for this measure will need to be determined with the Commonwealth, State and Territory governments.</p> <p>As well as the housing priorities, these indicators are linked to government priorities on the National Disability Insurance Scheme (NDIS) and Australia's Disability Strategy.</p>	<p>Choice and control</p> <p>Health and wellbeing</p> <p>Housing supply</p>
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ⁱ See <https://www.aihw.gov.au/reports/australias-health/social-determinants-of-health#Housing%20and%20homelessness>

ⁱⁱ See <https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI-Final-Report-348-Marginal-housing-during-COVID-19.pdf>

ⁱⁱⁱ See Caitlin Buckle, Nicole Gurrán, Patrick Harris, Tess Lea & Rashi Shrivastava (2022) Intersections Between Housing and Health Vulnerabilities: Share Housing in Sydney and the Health Risks of COVID-19, Urban Policy and Research, DOI: [10.1080/08111146.2022.2076214](https://doi.org/10.1080/08111146.2022.2076214)

^{iv} See

https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/HomelessnessinAustralia/Interim_Report/section?id=committees%2Freportrep%2F024523%2F73827