

# Submission to the Senate Economics Legislation Committee National Housing and Homelessness Plan bill

9 AUGUST 2024



# About our three organisations

CHIA is the peak body representing not-for-profit community housing organisations (CHOs) across Australia. Not-for-profit CHOs are regulated, organisations that manage rental homes for the long-term, primarily to assist low-income households disadvantaged in securing suitable homes in the private market. They invest financial surpluses in building homes, enhancing landlord services, and implementing property improvements instead of shareholder profits. Our 160+ members collectively manage more than 130,000 homes, valued at over \$40 billion for the benefit of our residents and their communities.

Homelessness Australia is the national peak body for homelessness in Australia. We provide systemic advocacy for the homelessness sector. We work with a large network of organisations to provide a unified voice when it comes to preventing and responding to homelessness.

National Shelter is a non-government peak organisation that aims to improve housing access, affordability, appropriateness, safety, and security for people on low incomes. National Shelter is supported by the work of State Shelters and members in all jurisdictions, as well as national member organisations, associate members, and sponsors.

# Introduction

The Community Housing Industry Association (CHIA), Homelessness Australia and National Shelter welcome the opportunity to respond to the Senate Economics Legislation Committee's Inquiry into the National Housing and Homelessness Plan bill.

In our submission we build on our respective responses to the DSS Issues Paper to inform the Federal government's National Housing and Homelessness Plan (the Plan). First, we summarise why we support the Plan. We then outline the principles for its production and implementation and why we believe it should be legislated. Finally, we make brief comments on aspects of the bill and offer suggestions for enhancement.

We strongly endorse the bill and urge the government and the Parliament to recognise its merit and also support.

# Why we need a National Housing and Homelessness Plan

As the Explanatory Memorandum to the bill acknowledges, 'the lack of a meaningful and well-informed national housing plan or strategy throughout Australia's history has contributed significantly to the mounting housing problems.'

As home ownership has become less affordable, more people are renting for longer, with over 8 million Australians now living in a rental sector characterised by instability, insecurity, and a lack of adequate protections for renters. Rents are unaffordable for people on low to moderate incomes, with many struggling to secure a new tenancy in today's fiercely competitive market.

For many, renting is no longer a transitional phase. Around two in five renter households include dependent children, and a growing number of people are long-term renters likely to rent from a private landlord their entire life, including into retirement.

Meanwhile, social housing as a proportion of total dwellings has declined, from six per cent (already very low in comparison with many European countries) to only four per cent. According to the most recent analysis of unmet housing need, there are over 640,000 households in Australia whose housing needs are unmet because they are either homeless or in rental stress (i.e. paying more than 30% of their income in housing costs). Based on projected household growth, this unmet housing need will increase to over 942,000 households by 2041 unless there is significant action by Australian governments.(1)

Since 2020, both the Federal Government and most state and territory governments have invested in new initiatives to increase social and affordable housing supply.

There have also been new commitments to assist (in particular) first home buyers and to provide additional crisis responses. But these initiatives have been ad hoc and uncoordinated and are not grounded in an analysis of housing need.

Nor do they address the root causes of housing system dysfunction that demand more fundamental reforms of tax, housing finance and social security frameworks.

For too long the functioning of our housing system has been a by-product of policy settings on tax finance and other regulation, mistakenly unrecognised as effectively housing policies. (2)

Progress in reducing homelessness is also hampered by issues beyond housing and provision of specialist homelessness services, including the effectiveness of supports available to families, children and young people, the adequacy of the health, mental health and disability services to meet people's needs, racism and discrimination, and the continuing scourge of domestic and family violence

CHIA, Homelessness Australia and National Shelter therefore welcomed the Albanese Government's development of a National Housing and Homelessness Plan to provide a coherent and comprehensive reform strategy.

As the bill's Explanatory Memorandum rightly states, the complexity of housing and homelessness problems, and the fact that these cross over different levels of government, mean there is 'a need for concerted, strategic and nationally-led approach'.

A National Plan offers an opportunity to put housing people at its core, recognising that everyone should have access to safe, secure and affordable housing. It should aim to manage the housing system as a whole and actively consider implications of policy in taxation, welfare and human services, and financial regulation on housing outcomes. Done well the Plan has a significant role to play in building the skills, institutions and governance structures needed to understand and proactively manage the whole housing and homelessness system. (3)

(1) Ryan van den Nouwelant, Laurence Troy, and Balamurugan Soundararaj, 'Quantifying Australia's Unmet Housing Need: A National Snapshot' (City Futures Research Centre, UNSW, November 2022), <https://cityfutures.adg.unsw.edu.au/documents/699/CHIA-housing-need-national-snapshot-v1.0.pdf>.  
(2) Pawson, Yates, and Milligan, 'Australia's Housing System Needs a Big Shake-Up'.  
(3) Duncan MacLennan et al., 'Housing: Taming the Elephant in the Economy', 4-page summary (Sydney: UNSW City Futures Research Centre, June 2021), 1, [4\\_page\\_summary-final\\_version\\_9\\_06.pdf \(unsw.edu.au\)](https://www.unsw.edu.au/content/dam/unswe/06/06_01_housing_taming_the_elephant_in_the_economy_4_page_summary_final_version_9_06.pdf)

# Aspirations for the National Housing and Homelessness Plan

While there have been many reviews, reports and inquiries into Australia's housing in recent years, there has been no national strategy 'dedicated to setting out a long-term agenda and committed actions'. (4)

In our respective submissions to the Department of Social Services (DSS) National Housing and Homelessness Plan (NHHP) Issues Paper, we identified specific actions needed to ensure 'everyone in Australia has a safe, affordable and appropriate home' and to end homelessness. However, while welcoming the commitment to produce a National Plan, we also recognised the crucial importance of Plan scope, architecture, supporting institutions, as well as the process by which it is developed and implemented.

In CHIA and National Shelter's [joint submission](#) we set out a number of key principles for any meaningful Plan. (5) These included setting long term objectives consistent with ensuring everyone has access to housing for all, 'specific, measurable, accepted, realistic and timebound targets that make it possible for all stakeholders and community members to understand the extent of progress toward achieving the Plan's goals', direct involvement with the state and territory governments and a comprehensive and respectful consultation process with other government institutions, the not for profit and private sectors and the broader community.

We also stressed that the Plan must be supported by institutional arrangements that:

- Are designed with the aim of enabling long-term transformation of the housing market to provide safe, affordable and appropriate homes for everyone in Australia
- Consolidate or coordinate national level housing functions
- Support successful coordination across governments and industry to deliver Plan actions successfully.

Particularly, given that the Commonwealth Government lacks any designated Department of Housing, we believe that a strong national housing agency is essential in enhancing system performance.

Our position on this is articulated in the CHIA position paper, 'A National Housing Agency for Australia'. In particular, we argue that NHHP development and delivery should be designated to Housing Australia. The National Housing and Homelessness Ministers meeting and National Cabinet should also be acknowledged as having a fundamental role in Plan development and implementation.

Our earlier submission also recognised the important role that an independent National Housing Supply and Affordability Council could take in offering expert advice during the Plan's production and also in an oversight role, to ensure the Plan delivers on its objectives.

To ensure that housing consumer perspectives are incorporated into the Plan and also central to assessing its progress we also called in our submission for a consumer council.

Homelessness Australia's [Submission](#) echoed many of these aspirations, also highlighting the need for the Plan to articulate explicit linkages with key determinants of homelessness, such as levels of domestic and family violence and child maltreatment. (6)

Homelessness Australia also called for the development and governance of the Plan to include an independent, expert Advisory Council on Homelessness that brings together people with lived experience, the homelessness sector, First Nations representatives, human services sectors and research experts.

(4) Department of Social Services, 'National Housing and Homelessness Plan Issues Paper' (Department of Social Services, 2023), 9, <https://engage.dss.gov.au/developing-the-national-housing-and-homelessness-plan/developing-the-national-housing-and-homelessness-plan-issues-paper>.

(5) CHIA & National Shelter: [Submission to the National Housing & Homelessness Plan](#)

(6) Homelessness Australia, [Submission to the National Housing & Homelessness Plan](#)

# Legislating the National Housing and Homelessness Plan

In CHIA and National Shelter’s earlier submission we recommended enshrining the requirement for a National Housing and Homelessness Plan along with its purpose, delivery agency requirements and oversight mechanisms in legislation to ensure the Plan retains a level of priority for its 10 year life and potentially beyond. This was argued as necessary because ‘(since) transforming the housing market is a long-term proposition, the institutions that support it need to be designed to survive beyond the current electoral cycle’.

Homelessness Australia also called for the Plan to be legislated to enshrine the right to housing, and the objectives, governance, review and oversight mechanisms associated with the Plan.

We recognise that future governments may choose to modify housing and homelessness-related actions formulated by predecessor administrations, but an ongoing national leadership responsibility and national focus on ensuring adequate housing for all Australians is critical. A National Plan being embedded in legislation would assist here.

Noting that there may be doubts on the practicality and legality of a national strategy under a federal governance system as in Australia, our earlier submission highlighted the instructive example of Canada, a similarly structured federation which adopted its first ever national housing strategy in 2017, subsequently legislated in 2019 (7).

Given our consistent advocacy for a Plan backed by legislation, it will therefore come as no surprise that CHIA, Homelessness Australia and National Shelter strongly support the current bill.

This support has been reinforced by concerns about the current Plan’s progress. The lack of an expert advisory committee driving the Plan, the disappointing Issues Paper released in July 2023, the omissions in the January 2024 Consultation Summary, the finalisation of the the new National Agreement on Social Housing and Homelessness in advance of the Plan, and the absence of any subsequent dialogue or report on Plan progress, together contribute to this concern.

(7) Legislative Services Branch, ‘National Housing Strategy Act’, Canada: Justice Laws Website <https://laws-lois.justice.gc.ca/eng/acts/n-11.2/FullText.html>

# Specific Comments on the Bill

As noted, we support the overall intention of the Plan, its objects and content. As noted above the bill also allocates roles to institutions we support. Below we have outlined some suggestions for some specific enhancements to the draft legislation.

## **Make explicit the role of state and territory governments**

In the bill's Explanatory Memorandum, the role of state and territory governments to produce 'complementary and necessarily more detailed and geographically specific) strategies at the state/territory level to reflect the diversity of housing and homelessness policy challenges, circumstances and opportunities that exist across Australia' is acknowledged. However, the bill could usefully make explicit acknowledgement of their proper role in Plan development as well as implementation. While recognising that Federal legislation cannot obligate state and territory governments to perform specific housing and homelessness actions, we believe it would strengthen the bill if their role was formally recognised.

We suggest that Sections 9 and 10 could be amended as follows:

- 'state and territory governments' are listed first under collaborators in clause 9 (1)
- The role of the Housing and Homelessness Ministers meeting is acknowledged as a source of advice under 9 (2)
- the roles of states, territories and the Housing and Homelessness Ministers meeting in Plan implementation is specified in clause 10.

## **Integration with other Government Plan and Strategies**

The Explanatory Memorandum stresses the intention is that the Plan should not be produced in isolation, and that it must articulate with other national and federal strategies, including we assume the National Disability Strategy and the Plan to End Violence Against Women and Children. Furthermore, to be effective these other relevant government plans and policies should similarly articulate with the National Housing and Homelessness Plan.

We therefore suggest this could be made explicit under Section 9, the process for preparing the Plan.

## **National Housing Consumer Council**

As noted earlier we support establishing the Council. However, consultation with our sector has indicated that by listing the potential interest groups, those groups not mentioned feel excluded. Further, it would be sensible to ensure the Council represents all parts of Australia. We note that in Section 20 (3) b the bill makes clear the Council has to be representative of the diversity of the population. Perhaps add 'in terms of age, gender, race and location'. It is also important to recognise tenure experiences of the members of the Council.

The legitimacy and credibility of the Council will be enhanced if its selection is via a public and transparent process. This should be specified in the bill as part of clause 20.

## **National Housing Advocate**

This is not a position we put forward in our Issues Paper submissions. However, reviewing the role of the Canadian housing advocate on which the proposal is based, we can see that potentially its role can be complementary to the National Housing Supply and Affordability Council which is focused on system issues and analysis.

The Canadian National Housing Strategy advocate has investigated and reported on housing outcomes for specific groups including people with disability, Indigenous communities and transgender people. If the human rights approach set out in the bill is to be realised, this role will be important.