



# BROTHERHOOD of St LAURENCE

## **Submission to the Commonwealth Advisory Committee on Homelessness Response to National Homelessness Strategy Consultation Paper**

**November 2001**

---

### **Introduction**

The Brotherhood of St Laurence is a major Victorian-based welfare organisation with a focus on the prevention and alleviation of material poverty, the consequent hardship and lack of opportunity and the improvement of the quality of lives of people on low incomes generally. Inspired by its Christian foundation and its commitment to social justice, the Brotherhood of St Laurence is working for an Australia free of poverty.

The Brotherhood of St Laurence has an interest in the supply of affordable, secure, well-located and appropriate housing for a number of reasons.

Firstly, access to housing is fundamental to the organisation's vision of an Australia free of poverty. Secondly, the Brotherhood is a provider of residential and community based aged care and independent living units for low-income elderly and a provider of state based Public Housing Advocacy Program (previously the Rental Housing Support Program).

Thirdly, the current lack of affordable housing puts pressure on all other Brotherhood services including our employment services, in particular Community Support Program and Job Placements Education and Training (JPET); our community services; and the settlement services provided by the Ecumenical Migration Centre.

Finally, research undertaken by the Social Action and Research Division of the Brotherhood demonstrates the impact of the lack of affordable, well located housing on the lives of people with low incomes:

- *Poverty on the Metropolitan Fringe*  
Many people on low incomes have moved to outer-urban areas because of housing affordability or availability, and then access to employment becomes an issue compounded by insufficient transport and access to health and other services. (Taylor and Jope 2001)
- *Getting back on your feet: an evaluation of the Community Support Program*  
Homelessness was identified as a barrier to employment by 12 per cent of the sample of people facing multiple barriers to employment (Macdonald 2000).
- *On the threshold: the future of private rooming houses in the City of Yarra*  
The loss of affordable single rooms in the City of Yarra and the lack of alternative housing options for rooming house residents on low incomes is forcing people to live in substandard housing and increases their risk of homelessness (Jope 2000).

The Brotherhood of St Laurence's concern about the impacts of this current lack of affordable housing on low-income and vulnerable households prompts this submission.

### **Why are people homeless in Australia?**

Homelessness is clearly related to structural factors and the Brotherhood suggests that the primary reason for homelessness is the lack of affordable, safe, secure and well located housing. While there is a reminder in the discussion paper that not all Australians have enjoyed the rising living standards of recent years (p.10), we believe that the structural factors that result in inadequate income for some and rising housing prices are not given sufficient attention in this discussion paper.

There is plenty of evidence of the lack of affordable housing. The Australian Housing and Urban Research Institute recently reported that only three per cent of Sydney's low income households and nine per cent of Melbourne's low income households could afford to rent an average three-bedroom house in outer western Sydney or south-east Melbourne respectively. Their research shows an increasing number of people in the private rental market suffering 'housing stress' (paying more than 30 per cent of their income on housing costs). In 1996, 80.7 per cent of low-income renters in Sydney were in housing stress (compared with 67.3 per cent in 1986). In Melbourne the figure was 74 per cent of low-income renters in housing stress in 1996, compared with 60.5 per cent in 1986; in Adelaide it rose to 76.1 per cent from 63.4 per cent in 1986 (AHURI media release 22 September 2001).

In addition, there are reports of 60,000 to 105,000 Australians who are going without shelter or living in insecure or inadequate housing on any single night (SAAP Data and Research Advisory Committee 2000 in National Homelessness Strategy Consultation Paper 2001).

There is also an indication of a worsening housing crisis, with an average annual increase of 34 per cent in demand for housing assistance in Victoria (Housing Justice Roundtable 2001).

When people on the lowest incomes are required to compete for a limited supply of housing, some will invariably miss out in a society that relies solely upon a market model for distribution. Therefore, the Brotherhood urges the Commonwealth Advisory Committee on Homelessness to advise the Federal Government to intervene in the market and develop a National Housing Strategy to ensure an adequate supply of appropriate housing is accessible to all Australians.

### **Housing first**

The Brotherhood of St Laurence supports the statement about the strong relationship between the supply of housing and the incidence of homelessness (p.23); and endorses the recommendations of the Commonwealth Advisory Committee on Homelessness for an increase in the supply of low cost private and public rental housing (p.23, section 3.2, first paragraph). As stated above, the Brotherhood believes these housing shortages are the principal causes of homelessness, while acknowledging that people with special needs do require more than physical shelter to prevent their homelessness from recurring. While employment, income security, health and disability contribute to homelessness; it is our belief that these are secondary factors that compound a person's situation in the absence of

appropriate, affordable housing. Therefore, we propose that the relationship between housing shortages and homelessness requires immediate attention.

The Brotherhood of St Laurence calls for the Federal government to take responsibility to initiate a National Housing Strategy that will include a raft of measures to create enough housing for all. An adequate supply of housing would reduce the severity of these other factors in people's lives and prevent the distressing and destabilising impacts of homelessness on families and individuals.

The primary goal of a National Homelessness Strategy ought to be an immediate increased supply of a diversity of housing stock (including apartments, bed-sits, rooms and houses) that will meet the needs of a variety of household types. This stock needs to be affordable and well located and to provide long-term tenure.

Evidence from the Affordable Housing National Research Consortium suggests there was an estimated national shortage of 150,000 low cost rental dwellings in the mid-1990's (AHNRC 2001). The Brotherhood of St Laurence suggests that the Commonwealth Government initiate the construction of this number of new affordable dwellings as an immediate step. While the construction of 150,000 new affordable dwellings is estimated to require capital of some \$27 billion, it is also estimated to generate at least 740,000 jobs (Housing Industry Association 2001) which would contribute significantly to Australia's economy.

In addition, we support the exploration of a model of public-private partnership suggested by AHNRC (2001)—that is a direct government subsidy for private (debt) investment in affordable housing. This model indicates that every \$1 billion raised would have a gross cost to the Commonwealth of \$220m (the net cost is \$90m, after taking into account tax receipts) and would assist 7,450 tenant households.

The Brotherhood of St Laurence also supports the recommendations of the Commonwealth Advisory Committee on Homelessness (p.23, section 3.2, second paragraph) for a review of the operation of the Rent Assistance Program within the context of a National Housing Strategy.

### **Community support**

The supply of affordable housing also needs to be appropriate for people whose special needs continue to put them at risk of homelessness and who have a history of being homeless. The research and service experience of the Brotherhood of St Laurence shows that people who are homeless or at risk of homelessness are often very isolated. We have found that it is not unusual for homeless people to have been badly treated by some mainstream services, particularly in health, and they can be extremely distrustful of mainstream community support services. Consequently staff of these services need to be aware that they have to rebuild trust before providing services to the client. This could take some time and resources, but should be an integral part of their service provision. Any mainstream community support service will require extra resources to work with homeless people, who maybe completely cut off from many aspects of society and may require a great deal of support to enter into networks and cope with the administrative arrangements involved in rental tenure and independent living.

Social isolation is also exacerbated by the high mobility experienced by people living on low incomes in insecure, private rental housing. This dislocation would be reduced, with a sufficient supply of affordable, well-located and secure long-term housing.

## **Conclusion**

The Brotherhood of St Laurence is concerned that by focusing on homelessness, the underlying problem, which is the inadequate supply of appropriate affordable housing, is once again in danger of being over looked. Successive governments have failed to come to grips with the responsibility to ensure that its citizens have access to adequate housing. To fail to do so is to put people living on low incomes at ongoing risk of housing related poverty and homelessness. As a society we need to ensure there is sufficient housing and at the same time provide the ancillary support required to ensure the housing is appropriate.

The costs of support needs are exacerbated by the absence of affordable, well located, secure and appropriate housing. To fail to provide housing for people is to fail in our duty of care for them. Furthermore, money will continue to disappear into a 'black hole' in attempts to provide supports in the absence of adequate housing. The expenditure is not effective – it fails to bring about the outcomes for which it was intended.

The Brotherhood of St Laurence calls for a National Housing Strategy that contains a costed, feasible plan for housing all Australians. We are looking for vision, planning and leadership. We call on the Federal government to start with a housing policy to house ALL Australians, to consider the AHNRC proposal to fund the construction of affordable housing as well as to consider the support of those who continue to experience homelessness and housing insecurity.

## **References**

Affordable Housing National Research Consortium. 2001, *Affordable housing in Australia: pressing need, effective solution*, Sydney, NSW.

Housing Industry Association 2001 private communication Sydney.

Housing Justice Roundtable 2001, Housing for all, Housing Justice Roundtable presentation, Collingwood, Vic.

Jope, S 2000, *On the threshold: The future of private rooming houses in the City of Yarra* Brotherhood of St Laurence, Fitzroy.

MacDonald, H 2000, *Getting back on your feet: an evaluation of the Community Support Program*, Brotherhood of St Laurence, Fitzroy.

Taylor, J & Jope S 2001, *Poverty on the Metropolitan Fringe*, Brotherhood of St Laurence, Fitzroy.