

HIGH RENTS AND LOW INCOMES

HOUSING PROBLEMS OF LOW-INCOME FAMILIES

ELAINE M. MARTIN

**A research project of the
Brotherhood of St. Laurence**

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FOREWORD

This study arose out of the concern of the social workers in the Social Service Bureau of the Brotherhood of St. Laurence about the number of families who were unable to find satisfactory family accommodation within the price range which they could afford. There was little that the social workers could do except help families in their discouraging and often unsuccessful search. It was decided to undertake a study which would increase our understanding of the current housing situation and its social implications, and assist us in considering Commonwealth and Victorian State housing policies in the light of the needs unmet by private housing provisions.

It appeared to social workers and others in direct contact with housing problems that families living on £20 or less per week face great difficulties in relation to the current housing situation. It was decided to study a group of families in this income range, as well as using other available sources of information about the current housing situation.

The first three sections of this report are a study of the current housing situation and its implications for families in this lower income range. Discussion of the present housing situation as it affects this group covers the difficulties of purchase, the lack of suitable rental accommodation and the many obstacles which handicap low-income families in their search for housing. Then, on the basis of the study of a group of families with housing difficulties, the report describes some of the effects of the

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current housing situation on family well-being; the effects of living in sub-standard housing lacking basic facilities or in over-crowded conditions or shared accommodation; and the impact of high rents on family expenditure and standard of living. The study throws some light also on the patterns of family life which develop under such conditions, some of the long-term effects on families and their members, and the ways in which the hopes, expectations and outlook of families may be affected by poor housing conditions.

The report then proceeds, in Section IV, to a consideration of Commonwealth and Victorian State housing policies. Post-war Commonwealth housing policy and the original purposes of the Victorian Housing Commission are examined, then the changes which have taken place in the Housing Commission's policy and functions, particularly over the past ten years. Its present policy is considered in relation to the areas of housing need not met by private enterprise, and, on the basis of conclusions reached, certain recommendations are made in Section V. It is clear that important policy changes are needed for any serious attempt to meet the housing needs of the lower-income sections of the community. It is also clear that the personal and social costs of the present housing situation are very high indeed, and constitute a most destructive factor in family welfare.

I. INTRODUCTION

(a) The Study

Assessing Family Needs - the Limitations of Statistics

Many and varied statistics can be quoted in relation to housing needs, and can be used to support varying arguments. On the one hand statistics are used to demonstrate the achievements of post-war building programs, the amount of new house-building and the increase in home ownership. On the other hand, figures are available which give some indications of unmet housing need: numbers of slum or sub-standard properties, waiting lists for State housing authorities (which totalled over 74,000 in 1963) or for housing co-operative societies. However, housing need is not merely a quantitative matter which can be assessed by a counting of heads, and even more comprehensive figures on unmet housing needs would not be an adequate assessment of the situation.

Progress has been made in the housing field but certain groups in the community have not yet been provided for adequately. The position of these groups, and the impact of the current housing situation on them, are the concern of this study. Behind figures related to unmet housing needs lie a variety of ways in which families adapt, with varying degrees of discomfort and strain, to a situation in which adequate housing is a commodity which they cannot afford. These makeshift arrangements include sub-letting and sharing accommodation costs, moving in with long-suffering relatives, renting rooms in apartment houses, moving from

one place to another as arrears mount, or paying the rent or house payments at the expense of food, clothing and other necessities. What effects these various courses have on the families concerned cannot be measured in quantitative terms or by quantitative methods. Yet these human factors in housing should be considered by any government responsible for making decisions about housing policy.

The case study approach allows qualitative material to be obtained. The social consequences of policy decisions can be probed more deeply, and examination of family histories over a period of time allows fresh insight into causation, compared with only a cross-section picture at one point of time. The case study approach can also draw upon the experience of social workers who meet social problems at the individual level, providing a complementary view to that given by general descriptive material or statistics.

Procedure

The intention was to obtain detailed information of a qualitative kind about a number of families within this income range whose housing situation was known and was considered to be in some way unsatisfactory. This material was gained through interviewing, carried out mainly by one social worker with some assistance from a social work student. An interview guide was used requiring some factual information but also leaving scope for focussed discussion of questions aimed at evoking comments about the interviewee's experience, feelings and aims for the future.

It was hoped to study one hundred families; in practice the number included was ninety-five. The main group of eighty-three families was selected through the welfare organisations listed below. These co-operating agencies noted from cases current during March, April and May 1963

those which met certain specified criteria covering two broad categories. The first consisted of families living in accommodation which in terms of physical conditions was judged unsatisfactory, on such grounds as poor state of physical repair, lack of minimum facilities and amenities or overcrowding of the premises. The second category covered cases where even if the accommodation appeared to be physically adequate, the family was paying for it a weekly amount which was more than one-fifth of the family income. The proportion of one-fifth was chosen because it has been accepted as a desirable maximum for expenditure on accommodation by low-income families in a number of Commonwealth and Victorian government statements on housing (cited later), as well as in various overseas discussions of the subject. For the purpose of the study, "family" was taken to mean a household including at least one child under sixteen years dependent on adult members. It was decided to omit Housing Commission tenants because their inclusion would have introduced another range of issues and no adequate number could have been studied.

The social workers selecting families for referral explained the study briefly to clients who were thought to be suitable, and asked their permission before any follow-up was made by the research worker. Within the number available, selection was carried out in such a way as to enable comparisons to be made between certain categories of cases within the total group. The main characteristics considered for this purpose were location of residence, occupation of the wage-earner, income, family size, type of housing and whether this was rented or being purchased. A group of deserted wives was included, as were a number of families currently dependent on social security benefits

because the breadwinner was not earning. The numbers of families within these various sub-groups are indicated below.

Two attempts were made to see each family selected, with letters forewarning each visit. Compared with eighty-three families contacted successfully, only sixteen were not contacted, and of these ten were known to have moved leaving no further address. Only one specifically refused to participate. The general response was one of interest and helpfulness; most of the families concerned appeared to feel that any effort to improve the housing situation, even if its aims were long-term, was worth supporting.

We were aware of the limitations of studying only families selected through social work agencies, and also wished to test the hypothesis that even self-reliant and stable families within this income range are likely to have great difficulty in finding and paying for suitable accommodation. It was hoped to compare the client group with another group selected through some other channel, so as to allow greater consideration of the various factors handicapping or assisting families in their efforts to secure suitable accommodation, and give some insight into the courses of action adopted by these families who are not in contact with any welfare organisations. Several channels were investigated in trying to select this contrast group, some details of which are given in an Appendix; a series of difficulties and the lack of time available for further collection of material finally prevented any large number of cases being selected. Excluding some which proved to fall outside the income limit, only a dozen families selected through other channels than welfare organisations were included in the study. This small contrast group is separated from the main group in the section describing the

characteristics of families studied and in some of the discussion, as indicated.

The Families Studied

Sources of Referral:

The main group of 83 families was made up of referrals from the following welfare agencies: Brotherhood of St. Laurence (Social Service Bureau), Citizens' Welfare Service, Red Cross Welfare Service, Royal Children's Hospital Medical Social Work Department, Victorian Association of Day Nurseries, Victorian Society for Prevention of Cruelty to Children, and Victorian Social Welfare Department. The small contrast group of twelve families was selected through an industrial firm and a co-operative housing group.

Residential Areas:

Of the main group, 28 families lived in "inner" areas up to three miles from the centre of the city, 38 in "middle" areas from 3 to 7 miles from the centre, and 16 in "outer" areas beyond seven miles from the centre. The small contrast group families were from "middle" and "outer" areas.

Employment and IncomeMain Group

Unskilled Wage- earners	Unemployed at time of interview	14
	Employed but "unstable" *	8
	Employed, stable	<u>22</u>
		44
Skilled Wage- earners	Unemployed at time of interview	3
	Employed but "unstable"	3
	Employed, stable	<u>10</u>
		16
No Male Wage- earner in family	Deserted Wives	22
	Old Age Pensioner	<u>1</u>
		23
Total number of families studied		<u>83</u>

* "Unstable" used for employees who have had during previous year more than one change of employment, or one change accompanied by unemployment lasting several months.

Income *

Families dependent on Social Service benefits:

Male wage-earner temporarily not earning	14
No male wage-earner	<u>22</u>
	<u>36</u>
Male wage-earner employed	
Family income less than £14 per week (clear)	4
Family income over £14, less than £16 (clear)	9
Family income over £16, less than £18 (clear)	14
Family income over £18, less than £20 (clear)	9
Family income over £20 per week	8
	<u>44</u>
Other (See note #)	<u>3</u>
Total number of families studied	<u>83</u>

All the wage-earners in the contrast group were in stable employment, eight in unskilled and four in skilled jobs. Their earnings were in three cases £16 - £18; in four cases £18 - £20 and in five cases £20 - £22.

* In almost all cases family income consists of male wage-earner's pay only. "Over £20 per week" usually means under £22. Exceptions are explained in Appendix on procedure.

These families consist of one where male wage-earner not working but wife working, and another where Workers' Compensation, plus part pay, was equivalent to usual earnings; also one age pensioner.

Number of Dependent Children

The numbers of dependent children (i. e. children under sixteen years still supported by their families) were as follows: eighteen families had one dependent child, thirteen had two children, eleven had three children, fourteen had four children, eleven had five children, two had six children, five had seven children, one had eight children and one had nine children. The total number of children in the eighty-three families was 252. In the small contrast group of twelve families there was a total of 26 children, in families of no more than three children each.

Type of AccommodationMain Group

Buying a house - 14 families.

In one case rooms were being sub-let.

Renting a house - 27 families.

Of these, ten were sub-letting part of the house or took boarders.

Renting a self-contained flat - 4 families.

Renting rooms - 23 families.

The remaining 15 families were living with relatives or friends and were not directly responsible for rent; five of them were contributing towards the rent, ten were not.

Contrast group: Of the twelve families, ten were buying houses, one had completed purchase of a house and one was living with relatives, contributing towards the rent.

(b) The Vulnerable Group

The families most vulnerable when housing costs are high are low-income families. It is sometimes assumed that at the present time there are few "low-income families" left. Figures of average weekly earnings for adult males, which have been in the region of £ 23 - 24 over the period 1961-63, are quoted together with other evidence of high earnings in particular occupations. It must be realized that there is, in fact, a very large number of families whose income is not high enough for them to afford current market prices for housing. Present low-income groups consist of families living on low earnings, and families dependent on social service benefits.

1. Families Living on Low Earnings

Figures from tax returns do not allow an exact calculation of the numbers of families with only one wage-earner. However, the figures for tax-payers with dependent spouses give a minimum estimate. * For 1960-61 (the most recent figures available) the numbers of Australian tax-payers in receipt of £ 999 or less income for that year were: - (1)

Tax-payers with dependent spouse and one other dependent	68, 235
Tax-payers with dependent spouse and two other dependents	55, 465
Tax-payers with dependent spouse and three or more other dependents	58, 220
	<u>181, 920</u>

* This category omits widows and deserted wives, widowers or deserted husbands, who may be supporting children though not spouses.

Victorian tax-payers represent approximately 30% of the Australian total, and the Victorian distribution of incomes is similar to that for Australia as a whole (2). The proportion 30% of the above total figure is 54,576 families, which probably represents at least 200,000 people.

The approximate figure of 55,000 therefore represents a minimum - in fact, an under-estimate - of the number of families in Victoria who were living on less than £20 per week. Of this number, some 17,466 had three or more dependents other than spouse. These figures do not include widows and deserted wives, widowers and deserted husbands, supporting children but not spouses. They exclude also families dependent on social service benefits.

Another source of information on low-income groups is the survey of weekly earnings carried out in October 1961 (3). The figures available from this source refer to all adult male employees, not only those with families, and omit families without an adult male in employment. These figures show that in this week in October 1961, 26.2% of all full-time adult male employees in Victoria earned less than £20 and 41.1% less than £22. These figures must be kept in mind when reading figures on average weekly earnings which have been in the region of £23 - 24 over the period 1961-63 (4).

The proportions of these low-earning groups were slightly higher in manufacturing employment than in non-manufacturing employment. Some indication of the types of employment involved is given by minimum wage rates. As at 30th June 1963, the minimum wage rates in most manufacturing groups of employment, wholesale and retail trade, transport and railway services, public authority and community and business service groups, were all less than £19 per week (5).

2. Families Dependent on Social Service Benefits

There are, in addition to the families lying on low earnings estimated above, also a considerable number of families dependent for short or long periods on social service benefits.

Unemployment and Sickness Benefits

Figures available include, as well as adult males, women, minors and single men, and unfortunately no details are available showing which recipients are receiving allowances for dependents.

Average number of persons receiving unemployment benefit at end of each week during	
1962-63 in Victoria	9,072
Average number of persons receiving sickness benefit at end of each week during 1962-63	2,434

The total of these two groups is 11,506 which must include a large number of families (6).

Invalid Pensioners

Figures are available for the numbers of invalid pensioners and age pensioners receiving payments for children; it seems reasonable to assume that the great majority of the total were invalid pensioners. The figures for all Australia at 30th June were as follows: 5,076 pensioners were receiving payments for children.(7) If the proportion of 30% is applied to indicate the number likely to be in Victoria, this suggests about 1,500 invalid pensioners with children.

Widows and Deserted Wives

The category of widows relevant here is Class A, i.e. widows with one or more children under sixteen years in their care. The term "widow" includes, for purposes of benefits, deserted wives of at least six months standing, divorcees, women whose husbands have been in prison for at least six months, and women whose husbands are in mental hospitals.

<u>Number of Class A. widows receiving pensions in</u>	
<u>Victoria at 30th June 1963</u>	<u>. 6,212</u>

Of this group, 58% had more than one child (7).

This number does not include those receiving special benefits during the period of six months following the desertion of the husband or his committal to prison.

There are also other categories such as families of ex-service pensioners dependent on service pensions or war pensions.

The Scale of Benefits Paid

There were some pension rises in October - November, 1963, during the writing of this report; these are indicated as "new rates", though they did not apply during the period of the study. Otherwise the figures given are the rates current during 1963.

A man with a wife and three dependent children on unemployment or sickness benefit received £9-7-6 from the Commonwealth. For the same family unit, the invalid pensioner received £8-17-6 (new rates £9-10-0) from the Commonwealth. Service pensions and 100% war pensions varied slightly but not greatly; war pensions for "total incapacitation" were higher.

A deserted wife with three dependent children received at first £4-2-6 (new rates £6-7-6) Commonwealth special benefit. Those who qualified for the civilian widow's pension (including wives who had been deserted for more than six months) received £7-0-0 (new rates £10-0-0) Commonwealth benefits if there were three dependent children; rates for war widows were higher.

Families dependent on these various benefits and pensions can apply for "family assistance" from the Victorian Social Welfare Department. The maximum payment after assessment of the family financial situation, including housing commitments, was 35/- per child with the qualification that the total family income must not be raised above the basic wage no matter how many children or how high the rent. It usually takes several weeks from application for payment of family assistance.

Thus there are in Victoria somewhere in the region of 55,000 families living on earnings of less than £1000 per year, plus some thousands of families dependent on social service benefits. It is not being claimed that all these families are inadequately housed or are paying too much of their income for accommodation. No doubt some of them have made satisfactory arrangements and many more have adjusted to situations which are not entirely satisfactory. These figures are cited to make clear the very large numbers of families who are not in a position to afford current market prices for housing, and the need for special study of the housing problems affecting these low-income groups.

II. THE PRESENT HOUSING SITUATION

As It Affects Families on an Income of £20 or less per week

The position of the family on an income of £20 a week or less is generally one of acute difficulty in relation to both purchase and rental of housing. Without some additional source of capital, a family on this income cannot accumulate the capital necessary for a deposit, and even if fortunate circumstances make this possible, the additional expenses of ownership are likely to cause financial strain. Rental is usually the only possible course, but here their choice is usually between paying £8 or more per week, or else accepting accommodation which falls below present-day standards of acceptable family housing.

The Difficulties of Purchase

Figures showing the rising rate of home ownership in the population, rising numbers of new homes built, and increasing sums of money lent for home building and purchase, can too easily obscure the fact that for certain groups in the community, home ownership is still impossible. For families where there are already children, no large-scale savings, and a regular family income of no more than £20 a week, there are tremendous obstacles to the purchase of a house.

The initial deposit is the main obstacle, and the families studied recognised this. Very frequently the first mention of purchase in the interview brought a response such as "We'd never have a hope of finding the deposit".

A recent study (1) looked at the growth of the "deposit gap", or the difference between the deposit which can be saved by most purchasers and the loans available from finance institutions. This gap has widened as the increases in available loans have failed to keep pace with the rises in the costs of land and houses. The rise in land prices has been striking; the report gives an estimate of a rise of over 300% in less than ten years for low-priced blocks, and estimates an average price of fringe-area, lower-priced blocks as £1147 in 1961. To obtain a loan from a reputable financial institution, the would-be home builder must at least own his land, and often must accumulate additional cash as well. The report estimates that the purchaser of a moderately priced house must generally save 34% - 45% of the total cost - somewhere between £1500 and £2000 - or else take a second mortgage. It estimates also that the family man receiving average earnings would now take six to eight years to save the necessary deposit - if he were able to save 20% of his earnings, which most cannot do. A variety of high interest financial arrangements are used to bridge this gap, with high weekly repayments which often double the weekly commitments of the purchasers. The Victorian Government has begun to provide finance at reasonable interest to fill this gap, but the numbers who have benefitted so far are tiny in relation to the total need. (2) The recent promise of the Liberal Government to give bonuses to young couples who save deposits will still not bridge the gap, since the maximum subsidy suggested is £250.

The difficulty of obtaining loans from reputable finance institutions is at present even greater in the case of old houses. These are often sold on vendors terms, offered at low deposits of a few hundred pounds which induce pur-

chasers to pay inflated prices. Weekly repayments are usually high because vendors' terms seldom extend longer than five or seven years, and repayments over this period must be high enough so that at the end of the period the sum owing is no larger than what one of the major lending institutions is likely to lend on the property. During the period of vendor's finance, interest is usually 7% or higher. For these reasons it is difficult to arrange a repayment rate of less than £7 or £8 per week on even a relatively cheap older house if the deposit is low. For instance, a £3000 house sold on a deposit of £500 must be paid off at £7-10-0 per week to cover interest, plus a reduction of capital sufficient that at the end of five years a loan of only £1500 is still required. Another disadvantage often offsetting the advantage of low deposits for older property is the extra expenditure needed for repairs or modernization.

The lowest deposits are to be found in the sale policy of the Housing Commission of Victoria, which sells houses on a minimum deposit of £100, with the repayment of the remainder over 45 years at 4½%. However, the numbers are still small in relation to demand and there is at present a waiting list for the purchase of Housing Commission homes (3). Moreover, as the next section explains further, even a £100 deposit is beyond the means of many families within the income range considered here, and questions about low deposits suggested that when people saw no hope of saving £100, they felt that even a £50 deposit scheme would be of little benefit to them.

How Families Raise Deposits

Those families studied who were purchasing their own homes were asked how they raised the initial capital. A number had saved the cash deposit or paid for land before

marriage, but these had begun their purchase between twelve and eight years ago when the savings necessary were lower in relation to earnings. One family, the M's, had saved sufficient after marriage from the husband's earnings alone but only by a combination of fortunate circumstances and frugality during a period when the father was able to earn well over £20 per week from regular overtime, while the family lived quite frugally in a small bungalow at low rent. The other families studied had all accumulated savings from some other source than the husband's earnings. The most common source was the wife's employment. Sometimes this was done before the couple had any children. Mrs. B. explained that she had worked for five years before having any children. She had felt unhappy about this long delay, but was so anxious to provide security for her children that she believed she was doing the right thing. She felt that the only hope of a couple on their income to buy their own home was for the wife to work for five years, thereby saving enough money to avoid a second mortgage. Even then, she had to buy furniture for the house on hire purchase, one item at a time, and estimated that it would be another five years before the house was fully furnished.

Working Mothers

In a number of cases studied, the deposit had to be raised after the arrival of one or more children, and this raised problems of care for the children while the mothers worked. Several couples had one child soon after marriage, then lived with in-laws for a number of years so that the grandmother or other relatives could mind the child while

the mother worked. In other cases one or two children were minded by neighbours paid for their assistance. Particularly in the case of those with pre-school age children, there was evidence of conflict in the minds of some of these mothers; they felt that it was important to establish a stable home, and yet worried about leaving the care of their children to others.

Mrs. D., for instance, explained that it had taken five years after her first child was born for her to earn enough for a deposit which would allow repayments manageable on her husband's earnings; she could have saved more quickly had she left her child in a creche, but she believed that individual care would be better, and so paid up to £5 per week or half of her earnings to a series of baby-minders. Now she wonders whether the child would have benefitted in the long run from being left at a creche for a shorter period. The problems of home purchase are obviously related to the problems of adequate care for the children of working mothers. Another family had taken a house with the wife's sister and her family, and each of the wives took turns in minding all the children while the other wife worked; the arrangement broke down when both wives were at home with young babies and began to quarrel. A frequently-mentioned point was that the amount saved from the wife's earnings depended largely on the rent being paid at the time, and so if accommodation could be shared during this period, the wife's period of working could be shortened. However, willingness to make such arrangements seems to be less common among older-established Australians than among recent migrants.

The effects of an interruption of the wife's employment may be serious. The R. family migrated from

Scotland with £150 savings, and with two children at school and the wife employed; raised their capital to £600. They were able to arrange the finance of a home by means of a £3000 co-operative housing loan and a £400 second mortgage, leaving a further £200 which they could not raise except by a personal loan which they intended to pay off promptly. When another child was expected and the mother was forced to cease work, a major adjustment had to be made. The family income was reduced to £20 per week, while weekly repayments on all three housing loans totalled £9 per week, without rates and insurance payable on the house. Therefore the car being purchased on weekly terms had to be given up despite the remote locality of their house, and all other expenses had to be pared. With admirable budgeting the family was managing, but their position was precarious. The effect of such high housing payments on other expenditure are discussed later. Another family with three children took on the purchase of a house while the wife was working, then the wife suffered a slipped disc in the spine and was told she must give up work. She ceased factory work but felt that her husband's earnings of £15-10-0 in a brick factory must be supplemented to keep up the house payments of £6 a week; and so she took on child-minding for working neighbours. The amount of bending involved in looking after children meant that she did not wear her brace as she should, but she felt that they could not manage without the extra few pounds a week.

Role of Relatives

Among those families who had succeeded in buying their own homes, the role of relatives was markedly important in providing accommodation, in child-minding at little charge and in giving direct financial aid. Apart from

the earnings of working wives, the most frequent source of initial capital was assistance from relatives either by donation or by loan. An example is the S. family who, with six children, were living with an aunt until the wife's father gave them £100 deposit for a Housing Commission house. When this became too small for their needs, they were able to sell it and use their equity in it as deposit on a large old house which the father proceeded to renovate. Other sources of capital included compensation for the loss of two fingers in an industrial accident (in this case the wife commented that she "didn't know what we would have done otherwise"), and payment of a lump sum in return for vacating an old inner suburban house bought for redevelopment.

Both among the families who were purchasing houses and those who were not, it was generally agreed that it is impossible to save a sufficient deposit from an income of £20 a week or less; with several children, it was generally considered almost impossible to save anything. Where the wife was not willing to leave her children and go out to work, or where several small children would have made the cost of baby-minding too high, and where there was no hope of financial assistance from relatives, families felt hopeless. The larger the family, the more pessimism there was about purchasing a home. It is consistent with this reaction that with one exception (the S. family mentioned earlier who were financially assisted by a relative) all those families studied who were purchasing homes had no more than four children, and some of these had begun to purchase when their families were smaller than at the time of interview.

The actual repayment rates for purchase are often lower than the rent of the same property would be, and comparison of families buying and renting among those inter-

viewed showed that those purchasing were paying on average less per week than those responsible for the rent of houses, while on the whole getting better value for their money. On the other hand, purchase means also periodic expenses of considerable size, such as rates and insurance, together with varying and often unpredictable expenses for maintenance and repairs. These extra expenses are a heavy burden to a low income family, and may mean financial crises.

To accumulate any savings and fulfil these commitments of house repayments, plus extra expenses such as rates, insurance and repairs, within the limits of £20 a week, demands intelligent and disciplined budgeting. This depends on a certain level of intelligence, personal stability and responsibility in both partners, and on a strong relationship between them. Mrs. R., mentioned earlier, stated that they would not be able to manage to pay £9 out of £20 on their house if she and her husband did not get on well together. As well as co-operating in the careful spending of money, they were able to withstand the monotony of "sitting looking at each other every night" because they couldn't afford to go out. Another wife, Mrs. P., stressed the "pulling together" of husband and wife as essential in any attempt to buy a home on their income of £19 a week. She stressed also the need for iron discipline in resisting all impulse buying when the weekly budget allowed nothing at all to spare. This family had some medical expense for a handicapped child, but the wife made all the clothes for the three children, including school uniforms, while the husband grew vegetables and made the furniture for the house; yet all items of the household equipment and any extra expenses depended on child endowment payments. This family was paying only £4-10-0 per week house repayments, but felt that they could not have managed more.

Risks of Purchase

Families paying rent must also budget to cover their accommodation expenses, but their expenditure on this item is not quite as inflexible. If unemployment or illness occurs, or debts accumulate, there is always the possibility of seeking cheaper accommodation (even though this is very hard to find) or perhaps moving in with relatives (a pattern discussed later), until the crisis is over. The cost of such a crisis for the family purchasing a house may be the loss of their home, without necessarily recovering their whole equity in it - a painful experience both financially and emotionally. Such experiences were recounted by three of the families interviewed. In all cases they said that they would not want to risk such a loss again and so would prefer to rent. One of these families had lost their house through unemployment, and with little knowledge of their legal rights and no money for legal expenses, had recovered nothing from the resale of the house. One of the handicaps of many of the families interviewed was lack of adequate knowledge of the financial and legal implications of home purchase. In a number of cases such ignorance had led to serious losses.

Another family with seven children had been paying £3 per week to the vendor of the house and £6 per week to a finance company, an arrangement which became impossible when the husband lost his job. Another family had been allowed to suspend payments on their house while the husband was ill, but had no money for essential repairs and so neither the hot water service nor the toilet was functioning at the time of interview, and the family atmosphere was one of depression and anxiety. In another case, a family with five children and twins expected was attempting with very limited success to catch up on debts accumu-

lated during a period of mental illness on the part of the husband. They were paying a higher weekly amount on the house to cover arrears, but had heavy debts for property, water and sewerage rates which they "couldn't touch" and had no apparent hope of paying up.

A family where the wage-earner does not have secure prospects of stable employment - if, for instance, he is unskilled and must move from one job to another, or if a physical handicap such as asthma makes interruptions to employment likely - may be fearful of the responsibilities of becoming house purchasers. Even if the deposit were available to them, rental may be a more acceptable and safer form of housing in view of realistic expectations of their future prospects. This point receives further illustration later from discussion of the unstable housing histories of some of the families studied.

A further implication of purchase to be remembered is that it often means a move to a fringe suburb some distance away from familiar environment, friends and relatives. This is not necessarily so, because some older houses come up for sale, but the most favourable terms of finance (co-operative building societies and banks) apply to new housing, and this is available only in the outer suburbs, perhaps fifteen or more miles from the centre of the city. To find land at less than £1000 even on the outer fringes of the city is difficult. The P. family mentioned earlier paid £825 two years ago for their block at Eltham, too far to walk to the station over very rough unmade roads, so that Mr. P's fares to work in an inner suburb consist of £1 by train and the costs of running the car as well. In such a situation, additional fares must be balanced against cheaper blocks of land. There is undoubtedly resistance on the part of some

inner-suburban residents to such a move. A woman who had moved from Fitzroy to Glenroy said it felt like "the end of the world" at first.

Motives for Home Purchase

Keeping in mind the strong motivation necessary for families at this income level to acquire their own homes, an attempt was made to understand the forces behind the determination of those who were purchasing. Two patterns seemed to emerge. For some people, home ownership was accepted within their wider family - by parents, brothers or sisters - as being the proper course of action and so was more or less taken for granted as their aim, even though its achievement might be difficult.

For others, hardship or instability during their own childhood had led to particular concern for providing a secure and stable home for their children. Mrs. P., mentioned earlier, had been one of six children of a blind father and described their early life as "a struggle". All six children are now buying their own homes. She suggested herself that they were all seeking security in "their own little plot of land". A number of other families appeared to follow the same pattern, with explicit reference by one or other parent to a childhood of poor conditions or frequent shifts of accommodation. The motive of ambition for self-improvement was also evident in some of these purchasers, who saw house-ownership not only as a means of security, but also part of "getting on" or "improving yourself". This is consistent with the indications that house purchase and skilled employment go together. However, the causative factors are complex because generally the skilled worker is receiving higher pay than the unskilled one. Security was however the goal most often mentioned in a variety of forms

- you "can't be kicked out", or "know that you are safe with a roof over your head". Independence was also stressed. A number of people mentioned their frustration and humiliation at having to "beg" other people for accommodation, particularly if they were handicapped by unwelcome children, and commented on the satisfaction of being independent of other people's power over them.

It is also true that some people buy houses without any great desire to be home-owners because they find that they cannot rent suitable accommodation, due to the general shortage and particular handicaps such as low income and young children. These difficulties, which are discussed in detail in the next section, may lead people to take on purchase commitments which they find unmanageable or to buy properties which are not sound investments. A family of migrants, the S. family, finally bought a house after three years of moving from one lot of rooms to another, at prices ranging from £4-0-0 to £4-10-0, in conflict with landlords or other tenants over the behaviour of their two small boys. The house which they bought on a deposit of £130 and payments of £7 per week, was very expensive at a price of £3350, since it was structurally unsound, damp and generally decrepit. They had little hope of raising the necessary mortgage at the end of the period of vendor's terms, and meanwhile they had acute difficulty in paying £7 a week out of the husband's earnings of £14 clear as a cleaner.

Summary

For most families with children and an income of not more than £20 clear per week, the purchase of a home is impossible unless some additional source of capital becomes available - through the wife's earnings, assistance from relatives, or some other resource than the husband's earnings. If there is no other source of capital, even the lowest

deposit of £100 required by the Housing Commission is very hard to raise, and the sum of £1000 or more required by most sources of home finance is quite beyond the realms of possibility. If a small deposit is raised, then usually (except under the terms of the Housing Commission) this means either vendor's terms with high repayment rates or a second mortgage with total weekly repayments too high for an income of £20 or less. Apart from purchase repayments, quite large sums must be found for rates, insurance, repairs and perhaps road construction or sewerage. All these additional expenses are likely to strain, if not wreck, the tight budget necessary for a family in this income range. Unemployment, illness or some other such crisis may be disastrous when there are no reserves, and may mean the loss of the home, causing disappointment, disillusion and feelings of failure. While home ownership undoubtedly holds attractions for the great majority of Australian families, it is impossible for some and very risky for others in the low-income groups.

Lack of Suitable Rental Accommodation

Shortage of Private Rental Accommodation

The total number of dwellings to rent in Victoria is declining, declining in absolute numbers and therefore declining to a marked degree in view of population increase. The number of privately rented dwellings (houses, rooms and flats) in Victoria was 187,988 in 1954, and only 170,990 in 1961; a decline from 28.9% to 21.9% of occupied private dwellings.

There has also been a change in the type of rental accommodation. These totals include an increase in the number of privately rented flats (many of which are probably

unsuitable for families) from 22,144 to 36,120 (4); so the decline in the number of privately rented dwellings excluding flats is most marked in relation to an increased population. During the same period the population of Victoria increased from 2,452,341 to 2,930,113 (5) - an increase of about 16% while the number of rented dwellings decreased by 9%.

Home-ownership is undoubtedly popular in Australia, and government policy at both Federal and State level favours the promotion of housing provision in this form. However, a pool of rental housing remains essential for a number of reasons. There are many families not able to accumulate even low deposits and even if deposits were reduced to some negligible amount, there would still be a need for a pool of rental housing. For families at all income levels whose employment is likely to require movement, rental housing is more suitable than purchase, and this affects a considerable number of unskilled workers. As has been pointed out, for families whose source of income is for any reason unstable, purchase may well represent a very risky undertaking. Even for a family with a stable income, if weekly repayments on the house represent the maximum proportion of the income which can be spent on housing without hardship, then periodic expenses such as rates, insurance and repairs are a heavy burden and may mean financial crises. For families on an income which leaves no margin for extra or unexpected expenses, rented housing may well be the most appropriate form of accommodation. Even for those families who have some hope of saving a deposit for purchasing a house, the availability of reasonably priced rental accommodation is very important, since scarcity and high rents will hinder their efforts to save. For migrants or families moving from one part of Australia to another, rental housing is essential as at least a short-term provision. Australia

already has a very high proportion of home purchasers compared with many other countries. The 1961 census showed a proportion of 72.4% of Victorian homes either owned or being purchased by instalments (6). A recent figure from Britain is 44% in 1962, and this represents a sharp rise in recent years (7). With only 21.9% of Victorian dwellings privately rented (a marked decline from 28.9% in 1954) it should be considered carefully how much more the proportion of home ownership may be raised without promoting this undertaking among sections of the population for whom it is not the most suitable form of housing.

There is no doubt that at present there is a scarcity of reasonably priced rental accommodation suitable for families in the metropolitan area. The proportion of rented dwellings still under the control of the Fair Rents Board is not known exactly but it may be around 20% and the proportion continues to decline. Estate agents who were interviewed for this study agreed that from their experience, the great majority of controlled premises are sold when the opportunity arises through vacation. The main reason suggested was - apart from the greater attractiveness of other forms of investment - that many of these properties have deteriorated in condition so that a heavy repair bill would be faced before they could be re-let at a higher rent. Although it is possible for any tenant in Victoria who considers his rent excessive to appeal to the Rental Investigation Bureau, in fact only a tiny proportion of tenants do so. Although there were in 1961, 170,990 privately tenanted dwellings in Victoria, the great majority of which were de-controlled, in 1962-63 only 549 applications were made to the Rental Investigation Bureau. Of these, 320 resulted in a reduction of rents by agreement between the landlord and tenant and 68 resulted in the premises being taken under the

Fair Rents Board.* It seems that the work of the Bureau is too little known and that even when tenants are aware of its functions and powers they are often too afraid of angering landlords to take any action, although the Bureau can offer some protection against arbitrary eviction. The poor bargaining position of many tenants is discussed later in this section. Whatever the causes for the small number of applications, the powers of the Bureau are certainly not used as widely as they might be, and the number of premises controlled by the Fair Rents Board is declining, so these bodies constitute only a minor regulation of an uncontrolled market in rental housing.

Current Rents

As one of the means of building up a picture of the current market situation in housing, discussions were held with twelve estate agents in various areas of Melbourne where rental accommodation is available relatively frequently. # Prices did not appear to vary greatly from one area to another for the same type of accommodation, except at the higher rent levels where, for instance, the rent of similar houses might vary from £9-9-0 to £11-11-0 according to the desirability of the area. Among the families studied there were some paying rents for old property in an inner area just as high as those in pleasant outer suburbs. With some qualifications it seems that the location of

* The usual procedure if the Rental Investigation Bureau assesses the rent as too high is for the owner to be given an opportunity to come to a suitable agreement with the tenant; if he declines to do so, the property may be taken under the control of the Fair Rents Board.

Their offices were located in the central city area, Carlton, Fitzroy, Collingwood, St. Kilda, Prahran, Fairfield, Hawthorn, Richmond, Ascot Vale, Footscray and Williamstown.

accommodation is only a secondary determinant of its price, and therefore it is possible to refer to average prices for given accommodation. However, the type of accommodation available varies from area to area and there are concentrations of low-standard, low-priced accommodation.

"Rooms", some furnished and some unfurnished, some with gas and/or electricity included in the rent, are most commonly found in the inner areas. While less common in the suburbs further out, it seems that the same kind of accommodation brings slightly lower prices and may be of slightly higher standard. In suburbs a little further out (the "mid" suburbs) there seems more chance of finding "flats" offering greater space and fewer shared facilities, even though seldom self-contained, for little more rent than poorer shared accommodation nearer the centre of the city. It is harder to collect information on rooms and shared accommodation because most estate agents do not handle such accommodation to any extent (obviously it means dealing with less desirable and perhaps less reliable tenants), so very often it is found through city and local newspapers, notices in shop windows and personal contacts.

Average Rents and Actual Rents

One of the first points which becomes clear is that there is a marked discrepancy between average rent figures and rents at which adequate accommodation is available on the market. The figures of average rents paid for various classes of accommodation as shown by the 1961 census differ greatly from the market situation described by estate agents and the experience of the families studied. For instance, the Victorian average weekly rent figures were for private houses £3-11-6, for flats £6-6-10, for 'other' (including rooms) £3-16-6, and for all private dwellings

£4-2-0 (8). Among the families studied, average rents were for private houses £5-6-5, for flats £6-7-6, for rooms £4-17-5.

Even among the families studied, the averages of rents paid do not indicate the prices at which the particular types of accommodation may be acquired through the usual channels of letting. Some of the categories of accommodation bringing down average figures are premises still under control, tenancies of some years standing for which rents have not been raised to maximum market price, and old sub-standard property let at low rentals. Metropolitan rents are higher in general than non-metropolitan rents, so this is another factor to be kept in mind when reading State averages. Even among our group of Melbourne families the averages of rents paid were depressed by a small number of tenancies at exceptionally low rent which do not represent what is available or generally acceptable. For instance, one tenancy of 35/- per week represented a condemned house in Fitzroy where the same family had lived for eleven years: a narrow terrace house, damp, decrepit and lacking in such basic amenities as a kitchen sink and a bath. Another house in Richmond at 25/- had been rented by the grandmother of the family for twenty-five years but was under a demolition order. The lowest rent encountered was another controlled rent of 10/- per week for an old weatherboard single-fronted house in North Melbourne, containing only three rooms, with no bathroom, an extremely tiny backyard and no electricity connected to the house. Other low-rented sub-standard dwellings are described later. Such low rents bring down the average of rents paid, but they represent dwellings which are not only unsuitable for family life but which are generally not available to families who are currently hunting for cheap accommodation.

32. THE PRESENT HOUSING SITUATION

When they are vacated they are usually sold or renovated and let at higher rents.

The numbers of such dwellings are of course declining with demolition and reclamation. In the year 1961-62 alone, 1,856 houses were demolished in the metropolitan area and the records of the Victorian Statistics Office show that many of these were in the inner areas.* Though necessary and desirable, this development also reduces the numbers of dwellings for rental at the minimum prices which are all that some people can afford to pay. Other houses in the inner areas are being converted to office or industrial use and this too reduces the supply of low-rental dwellings.

Both the discussions with estate agents and the interviews with families showed that for a family with, say, two or three young children to find adequate accommodation quickly - without waiting until a rare bargain comes along - the family has to be able to pay at least £8 a week. For this price, they will probably be able to find a house or self-contained flat of a moderately good standard, in a reasonable

* DEMOLITIONS - MELBOURNE METROPOLITAN AREA

<u>Period</u>	<u>Number of Dwellings Demolished</u>
12 months ended 30.6.58	430
12 " " 30.6.59	806
12 " " 30.6.60	1150
12 " " 30.6.61	1295
12 " " 30.6.62	1856

Source: Commonwealth Bureau of Census and Statistics, Victorian Office

Note: 1961-62 was not typical because of bush fires in several outer suburbs which were responsible for something over 200 of the "demolitions". Of the remainder, the largest local totals were in the municipal areas of Melbourne, Collingwood, South Melbourne and St. Kilda.

but not "desirable" locality, with perhaps only two bedrooms or, if they are lucky, three. However, if the family is large - say, four or more children, or if they restrict their choice to a particular locality or the more desirable localities, then they are likely to have to pay £9 or more for a family dwelling. Self-contained flats are in general no cheaper than houses of the same size and facilities, and those recently built are in fact dearer than the lower priced range of houses. Moreover, frequently owners and agents are not willing to let flats to families with young children, and of course some flats are unsuitable for children.

Obviously many families are paying lower rents than these, and the great majority of families interviewed for this study were certainly doing so. However, with few exceptions, lower priced accommodation had deficiencies of one kind or another reducing it below today's generally accepted standards of housing for families with young children. To illustrate this point, some detail will be given of the dwellings visited in the course of this study which were let at less than £8 a week.

It cannot be assumed that all accommodation at more than £8 is of adequate standard. In the inner areas, larger houses in poor condition can be let at high rents because of their alternative value as apartment houses and the possibility of sub-letting. One two-storey terrace house in Fitzroy was let at £10 per week although it was in very poor repair, with a leaking roof, and kitchen, bathroom, toilet and washing facilities of the most primitive standard. It had six bedrooms, two of which were sub-let to pensioners, and the other four of which were occupied by two families (one sub-tenants), totalling four adults and nine children. Another old two-storey terrace house in North Carlton had

holes in the walls and water stains on the ceilings, but with four bedrooms was let at £11-11-0 per week; and the tenant alleged that the landlord had asked them to leave because he could make more by letting the house out in rooms. In the "middle" and "outer" suburbs, houses let at rents of £8-8-0 to £10-10-0 were generally three bedroom houses in reasonable condition. Two of the houses at £9-9-0 were furnished, the rest at this higher rent range were unfurnished.

Rental Housing Available at Less than £8 per week

In the rental range from £6 to £8 per week, the houses were mostly old weatherboard dwellings in the inner suburbs, in varying stages of ageing, usually two-bedroom with minimum facilities and conveniences and tiny backyards. The general impression of these houses is drab and cramped. Sometimes tenants manage to make these houses reasonably cheerful and comfortable, by a great deal of effort and extra expense, as did a migrant family visited. With a family of five children and an income of £19, they were thankful to find a house of any kind for £6 a week, even though it was a tiny old terrace house in a narrow lane, surrounded by factories with no space for the children to play. By painting and repairing, mainly at their own expense, the parents had made the inside of the house quite cheerful, though the house was still rated moderately unsatisfactory due to its poor condition and overcrowding (14). When tenants have neither the determination nor the necessary cash to make these old dwellings pleasant, the effect is much more depressing. Sometimes the habitable area is reduced by dampness. Kitchen, bathroom and laundry may be combined in one, and there is often no hot water service so all water must be heated in the copper or on the stove. The interior is often dark and the backyard not large enough to dry clothes ade-

quately, let alone large enough for children to play. Several houses with most of these deficiencies let at £6 or £7 per week were rated grossly unsatisfactory.

Only a very small minority of the dwellings in the £6 - £8 rent range were found to be satisfactory for the families renting them. One was a quite pleasant dwelling behind a shop, with four large rooms recently painted and a backyard somewhat larger than many inner area ones, let at £7-10-0. The parents with four children renting this felt that they had a bargain. Another bargain was a two-bedroom self-contained flat for which a family paid only £6 per week because the parents looked after the block of flats, the others of which were let at £8 a week. In this case two children had to sleep in the living-room. This and a few other dwellings in the same price range were in reasonable condition but did not represent satisfactory accommodation for the families occupying them because they were overcrowded.

There were also some families paying rents of £6 a week or more for only rooms and shared facilities. A family with five children were paying £7 per week for three rooms in a large rambling apartment house in Williamstown. The rooms were dreary and dark, supposedly furnished but very sparsely so. Cooking had to be done in a kitchen some distance away and the food carried back to the tenants' own rooms for eating. There were separate bathrooms and toilets for men and women, two such blocks serving the whole apartment house. This was rated as grossly unsatisfactory accommodation. The father explained that this accommodation had been selected hurriedly after a move from another State, and he hoped that with further hunting he would find something better; but with his wage of £17 per week as a factory process worker and five children, he felt

that he could certainly not pay more than £7 per week in rent. Several other families visited were paying £6 a week for two rooms (not always connecting, but sometimes separated by a passage) with either separate cooking facilities of a makeshift kind or shared cooking facilities, and shared bathing and washing facilities. One family was paying the same sum for one large room, a tiny kitchenette and use of other facilities.

Premises let at less than £6 per week

Below £6 per week, generally all that can be obtained is "rooms" of varying standards; the median* rent paid by twenty-three families studied who were renting rooms was £5 weekly. The houses visited which were let at less than £6 were all in seriously sub-standard condition. Several of these have already been mentioned. The worst house of all visited (in West Melbourne) was let at £5-10-0 per week despite leaking ceilings in all rooms, gaping holes in the plaster of walls, rotten floor boards with gaps in the floors, and a sickening smell of damp and rot. Parents, three children and grandfather were living in this house. Another terrace house let at £5-0-0 was in sounder condition but was a most dreary and comfortless place. The kitchen-laundry was simply enclosed off the backyard without any door, with a floor of concrete, and an extremely low temperature on the winter's day of the visit. Upstairs the bathroom contained an old tin bath and double-decker bunks in which two of the four children of the family sleep because there are only two bedrooms. Both these were rated as grossly unsatisfactory accommodation.

The best self-contained dwelling at under £6 was an old weatherboard dwelling beside and behind a shop in Fawkner, let at £5. It was somewhat dark and shabby but

* The median is the middle figure in a series of figures arranged in order of magnitude.

contained four rooms in reasonable condition and all basic facilities except a copper. Another dwelling behind a shop, and two self-contained sub-divisions of houses (in Coburg and Dandenong) also fell into the £5 - £6 rent range and were, compared with the other accommodation visited, good value for the price. The husband of one of these families felt that this accommodation represented a very lucky find, since visits to nine different estate agents in Dandenong had resulted in only this one possibility at less than £10-10-0 per week. On the other hand, there were also several families paying £5 for only one room and kitchenette with the use of other shared facilities. A large spacious room is little enough for such a price, but one of the rooms visited was only about 11' square (in this space lived a family of four) and another room was on the third floor of a shop dwelling, fifty-two stairs up from the kitchen shared with other tenants. There were some families renting one room with facilities for around £4, but the only three whose rent for one room was lower than this had been given some kind of concession, in two cases because the house was owned by a relative.

Two bungalows fell into the under £6 price range. One was a quite attractive two-roomed bungalow let for £4-15-0 to relatives of the occupants of the main house, whose bathing and washing facilities the family in the bungalow shared. The other was let at £3-10-0 but was rated as grossly unsatisfactory. It was extremely cramped and dismal, consisting of one room about 10' x 10' with a kitchenette about 5' wide running along one side. There were no built-in cupboards except one small one in the kitchen, and clothes were hung on pegs round the wall because all the space in the room was taken up with a double bed, a single bed and a chest of drawers. The wife voiced her depression and misery at living there, but quite realistically said that she

could not hope to find anywhere else as cheap, and therefore while her husband continued to work intermittently, she would have to stay there.

A considerable number of the tenants visited almost certainly had grounds for applications to the Rental Investigation Bureau. However, many of them knew little or nothing about the Bureau's work, and even those who did know that they could apply, were generally too afraid of angering landlords to take any steps. Particularly those with several children felt that it would be so difficult for them to find other accommodation that they preferred to put up with the present situation.

It appears that there are occasional "bargains" by present price levels, but the crucial point is their infrequency. The estate agents interviewed were asked how often houses at £7 or less per week became available for rental through their agencies. All of them commented upon the great number of requests which they received for accommodation at this price, compared with the small number available. One agent said that he avoided advertising houses at these lower rents because of the enormous amount of time which his staff would waste answering all the enquiries. Another agent reported that over thirty people actually reported at a house advertised for £6-10-0 per week. It was generally agreed that weeks or even months might elapse between house tenancies at £6 - £7 per week, and tenancies at a lower rent than this would come along at most a very few times a year. Houses at £7 a week or less are very infrequently available compared with the urgency with which many families must look for accommodation and the very limited opportunities which they have for searching for it. The difficulties of house-hunting for the families studied are described in more detail below. The task of

searching is all the harder because generally estate agents do not keep waiting lists. Exceptions mentioned were confined to "specially recommended tenants" backed by an employer or another known agent, who were likely to be particularly desirable from the agents' point of view. Few of the families living on £20 a week or less are likely to rate such preference.

Obstacles in the Search for Housing

Many of the families in this low income range attempting to find accommodation through agents are severely handicapped. Because of their responsibility to owners agents must demand proofs of the reliability of prospective tenants. References were mentioned by all the agents interviewed as a basic requirement. It is recognised that references may be worth little (because of friendship, pity or even the desire to get rid of an unsatisfactory tenant on the part of the referee) but applicants who cannot produce the required references are immediately somewhat suspect, and even more so if they cannot show a rent book or some such evidence of rent payment from their previous accommodation. Other references commonly requested are those from employers, banks and firms handling any hire purchase agreements. Through the Real Estate and Stock Institute of Victoria, member agents can check whether a particular applicant is known to be an unsatisfactory tenant.

Lack of Cash Resources

Another requirement which presents a serious problem to families in the income range considered here is payment of rent in advance. Two weeks' rent in advance is a common requirement, three weeks' or a month's rent is often demanded for better quality houses, and a week's rent is considered to be a demand sufficiently lenient as to con-

stitute a stroke of luck for the prospective tenant. When it is considered that two weeks' rent for even a £7 per week dwelling constitutes £14, the best part of a week's earnings for families whose weekly requirements leave no margin for saving, it is evident that the need for such cash in hand is a great obstacle to securing good accommodation. It is particularly so for families who are already paying rents which take a high proportion of their income. Several families interviewed mentioned the difficulties of changing accommodation even if they were trying to change to a cheaper or better standard dwelling. Unless they can borrow some money from relatives and friends, they may be "trapped" in their present accommodation until they happen to find a landlord who will take the minimum payment in advance, or take poor quality apartment house rooms where advance rent is sometimes waived. One family which had recently moved from Perth, with no relatives or friends in Melbourne, described such an experience; it was only when the husband's employer let them rent a house belonging to him on the security of the husband's future wages that they were able to move from the exorbitantly rented house which they had taken hastily when they arrived in Melbourne.

There are other cash expenses involved in moving. Deposits for gas and electricity accounts can easily total £10 or more,* and probably there is also the cost of hiring a

* Gas deposit is a minimum of £5 and more if the family's monthly bill is likely to exceed this amount. Electricity deposits are more variable; a deposit is added to an advance service charge of 4/6 per room for all flats and dwellings likely to have a frequent change of occupants, and other factors such as the number of electrical appliances being used are also considered; the total deposit may easily be between £5 and £10, and though some consumers are fortunate enough to be let off lightly, the poorer family in less respectable accommodation seems likely to be charged more heavily.

taxi truck to move belongings. For furnished accommodation or for higher standard accommodation, a "security deposit" is sometimes demanded by the agent (in addition to rent in advance), against damage to the property or any breach of tenancy regulations, to be forfeited if the conditions of the tenancy are broken in any way, and not always offset against any arrears of rent.

Unwelcome Children

The most often mentioned obstacle to finding accommodation is the reluctance of owners, agents and landlords to accept young children. This was mentioned by both agents and the families interviewed as a constant problem. It is understandable that those responsible for the condition of property wish to avoid damage, and young children are a risk from this point of view. A number of agents commented that their impressions of the "standards" of prospective tenant families may influence them to accept children, but families living at a low income level often present an unimpressive appearance and so are less able to plead their case than more prosperous families. Among the families interviewed, the opposition of landlords to children was a subject of frequent and often bitter complaint: "They encourage us to populate the country, then you can't get a house if you do". Many of the families interviewed told how they had been refused accommodation because of having too many children. A number mentioned two as the number of children which was generally acceptable, and it was also commented frequently that pre-school age children were the most unwelcome. A family with four children said that when they were hunting for a house, "four children put people off". A deserted wife reported that agents "won't hear of five children", and for parents with even larger families, the situation becomes

increasingly difficult. One mother of eight children felt that a house at £9-9-0 where she would be allowed to have the children would be reasonably priced, since she had paid £10-10-0 for two different houses in the past while her husband's earnings varied between £20 and £25. One family had offered the owner £9-0-0 per week instead of the advertised £8-8-0 per week so that he would not object to their three young children. One mother had offered to clean the stairs and passages of an apartment house without any reduction in rent so that her two children would be accepted.

Several parents admitted that they had lied to agents about the number of their children. One couple had been told by an agent that the maximum number of children acceptable was two, so the parents underestimated the number of their children by three. The mother went to the agent's office alone each week to pay the rent, and feared that they would lose the house if the agent found out the truth. Another couple with seven children said that after many refusals because of the number of children, "you give up being honest", so they had told the agent of their present house that they had only four children, none of whom were under school age. They thought that after seeing various of the children, the agent probably now suspected the truth, but he had not made any complaint yet. Another family with five children found a house (at £10-10-0) only after searching for three months. Their present agent, whom the mother telephoned at 5.30 in the morning to answer an advertisement for a house at £10-0-0 per week, was the first she had found willing to accept their five children aged nine years to six months.

It was pointed out a number of times that families with a large number of children had little choice of accommodation, being forced to take whatever was available

where the children were allowed. There were some suggestions that landlords expected to be paid a somewhat higher rent if they were prepared to accept children. This point is hard to prove because it is most likely true of the poorer accommodation found through other channels than agents.

One must also keep in mind the practical difficulties of house-hunting for parents with a number of young children. Trailing around agents and accommodation with young children is expensive as well as wearing. A number of mothers said that they just could not go hunting for alternative accommodation while caring for babies and toddlers, and those living on the lowest incomes (such as deserted wives) said they could not spare any money for fares.

The experience of the families studied was summarised in numerical form for a number of the points relevant here, and the overall figures support individual impressions. There was a general tendency for larger families and higher rent payments to go together. At the same time there was also evidence of a correspondence between large families and unsatisfactory accommodation. The average number of children in families living in accommodation rated as "grossly unsatisfactory" for their needs was higher than the average number of children of those living in "moderately unsatisfactory" and "satisfactory" accommodation (4.1 children compared with 2.7 and 3.0 respectively for the other two categories separately or 2.9 for the other two combined). From the housing histories of the families studied, it appeared that the families with five or more children had moved fewer times than the families with no more than two children (3.1 moves compared with 4.0 moves), which seems to support the idea that for the various reasons indicated, it is harder for the large family to make a change in accommodation

although they may be living in unsatisfactory conditions. Those families who had improved their housing situation * over the five year period for which histories were collected were with one exception (a large family financially assisted by relatives) all families with no more than three children.

Summary

It is clear that the general shortage and high prices of rental accommodation leave low-income families in a very unfortunate position. If they cannot pay £8 per week - or even more if the family is large - then generally they must accept accommodation which falls below present-day standards of acceptable housing for families with children - either an old sub-standard dwelling or shared accommodation. Furthermore, they may be handicapped by other obstacles as well as inability to pay high rents in their search for suitable accommodation. If the family has several children, cannot produce sufficiently satisfactory references and past rent records, and cannot raise a cash sum of £20 - £30 or more to cover all the expenses of moving, then they face great difficulties in securing suitable accommodation. They must resort to low standard accommodation in less desirable areas from less particular landlords, and are likely to get very poor value for the rents which they must pay. A record of residence in such accommodation is no recommendation for higher standard accommodation and may act as a further obstacle to an improvement of housing standards. Rents for poorer accommodation may include some margin of compensation for less security for the landlord and perhaps an inconvenience loading in return for taking children.

* It was considered an improvement in housing conditions if a family had moved from rooms or shared accommodation to self-contained accommodation, from rooms or a flat to a whole house, or from rental to purchase.

Those families most in need of low rents are the least likely to be selected by agents who may have occasional opportunities to find desirable tenants for owners less concerned than most to obtain maximum rents. So far as private rental housing is concerned, families in the income group studied are generally not able to afford market prices for suitable accommodation (the effects of paying such prices are discussed later) and are, moreover, in a very poor bargaining position in the competitive search for reasonable housing.

Victorian Housing Commission Dwellings

The current contribution of the Victorian Housing Commission is discussed in detail later. The point which must be made here is that because of the great excess of demand for Commission dwellings over their supply, and the waiting list numbering over 13,000 people in 1963, rental of a Commission dwelling cannot be seen as a real alternative for any but a fortunate few of low income families with housing problems.

This fact was recognised by the families interviewed. Questions about applications to the Commission brought consistently pessimistic comments regarding the chances of being allocated a Housing Commission dwelling. Some families had been on the waiting list for several years, others who had applied more recently had been warned that they might have to wait several years, and others again had not persisted with applications because they had heard how long was the waiting list. It was not only the likely length of the wait which worried applicants, but also the uncertainty of its duration, which made any planning difficult. A number of parents interviewed voiced feelings that two or three years ahead was too far ahead to consider - "anything

can happen in two years" - or, sometimes unrealistically, "we'll have found something for ourselves by then" or "we'll be able to save some money for our own house by then".

The other subject of most comment was the allocation of flats to families. A number of families had refused flats, with greater or less hope of eventually being allocated a house. Others reported that they had been told that houses were only for sale and only flats could be rented, so they had not put in an application form. A number of deserted wives had been told that they could be given a house quickly only if they were willing to go to the country, and so had not persisted with applications. In a few cases, people expressed anxiety about applying for a Commission dwelling while their employment prospects were not very bright. One man said that he would "need to have a steady job" before applying, adding that if they once got behind in rent to the Commission, they would "never get another house". Another voiced similar feelings, saying that "the responsibility" of a Commission home worried him. He wanted to be more "settled" and have money for furniture before he applied. Perhaps it seems more shameful to get into arrears to an official organisation like the Commission where one's record remains on file, than to a private landlord. There is reason to think that for such reasons as these - and particularly common knowledge of the very long waiting lists - the actual numbers of applicants is an underestimate of those who would like, or need, housing assistance.

A small but significant unfortunate group are the families who have rented Commission dwellings at some stage, have left owing rent, and who therefore cannot be rehoused by the Commission, at least until they pay the arrears of rent. The number of such families increases

from year to year, as the following figures show. The numbers of tenants who vacated Commission dwellings during each of the last five financial years owing more than £20 in rent were as follows:-

1958-59, 504; 1959-60, 484; 1960-61, 314; 1961-62, 378; 1962-63, 328; Total: 2008. (10).

Two thousand families may represent eight or ten thousand people, so the number concerned is not inconsiderable and will continue to increase. While many of these may be undesirable tenants from the Commission's point of view, this group cannot be ignored. These families come to the notice of social welfare organisations, often occupying very unsatisfactory accommodation.

III. THE EFFECTS ON FAMILY WELL-BEING

A. The Present Situation

Family life suffers in many ways from the current housing situation. The ill-effects vary according to which of the unsatisfactory courses already described is followed; but whether they take sub-standard accommodation, share with relatives or strangers, or pay high rents which absorb too much of their income, low-income families suffer very real hardship from the present housing position.

Sub-standard Physical Conditions

The great majority of the families studied were judged to be living in unsatisfactory physical conditions. About a quarter were living in property which was quite obviously in need of urgent repairs, and nearer half lacked adequate basic amenities for cooking, bathing and washing.

Parents have a very difficult task to keep up reasonable standards of housekeeping and child care under the sub-standard conditions of obsolete dwellings lacking facilities which are now considered basic. A number of the families visited did not have proper bathrooms or even baths, and so had to make various makeshift arrangements for bathing. Children were washed in tubs or in the laundry troughs - usually with water heated on the stove or in the copper, because where bathing facilities are poor, there is usually no hot water service. The parents went to relatives' houses for baths, or in two cases visited the City Baths. The mother of one family in this situation described her efforts to keep her children clean, saying that she heated water and washed them every night, but "it's not the same as a bath". Another mother commented on the difficulty of washing children in the laundry troughs in the winter because

the laundry was open to the backyard and therefore very cold. The children were bathed in the afternoons because it was the warmest time of day.

When bathing and toilet facilities must be shared with a large number of other people, the difficulties may be even greater. The D. family of four shared one bathroom and one shower with twenty-two other people. The R. family of five, renting rooms in Fitzroy, shared one shower and two toilets ("men" and "women") with three other families. Another mother counted sixteen people sharing one bathroom and one outside toilet in an unsewered area, which stank so revoltingly that she told her children to use the school toilets nearby.

Poor facilities for washing clothes and other laundry are also an obstacle to satisfactory housekeeping and child care. A number of mothers complained of a lack of troughs and coppers in condition fit for use. Some explained how they carried laundry to the homes of relatives because their own facilities were inadequate. For the R. family mentioned above, the only laundry facilities consisted of the shower shared by three other families. Drying facilities were a problem for many of the families living in inner areas, in terrace houses with tiny backyards, or in apartment houses. The McP. family mentioned earlier, living in one room on the third floor of a shop dwelling in Fitzroy, had to dry all laundry indoors because there was no outdoor space. The washing was strung on lines on the upstairs landing until it had ceased dripping, and then it was hung inside the one room in which the three McP's lived. Another mother with three very young children dried all her washing in the two acutely crowded rooms which she rented, because of a quarrel with other apartment house tenants over the use of the clothes-line. Hence these two rooms, as well as being so

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crowded with furniture that there was almost no floor space, were also strung with lines of wet clothes which made the atmosphere very damp. When laundry and drying facilities are shared with other tenants, there are often restrictions on the times when they can be used, and when there are babies and young children without a generous supply of nappies and clothes, this means great inconvenience and worry. When facilities provided are inadequate, the pressure to buy washing machines is obviously great, even if this means a further strain on inadequate income.

Cooking facilities for some of these families were also inadequate. Kitchens with out-of-date or worn-out equipment were common in the old houses, including one where water had to be carried to the kitchen from an outside tap. Families sharing cooking facilities with other tenants often suffered constant inconvenience. One mother described the difficulty of keeping hungry, crying children waiting for tea until other tenants had finished using the kitchen, adding, "children can't understand these things". The D. family living in one third-floor room were fifty-two steps from the kitchen shared with other tenants. The wife prepared food upstairs, carried it down to cook before the other tenants got home from work, then carried it upstairs again to be eaten in their room. An open fire and a gas ring were used for minor meals so that she would have to use the kitchen only once a day. Such inconveniences are a severe handicap to mothers trying to prepare suitable food for infants and young children, as well as a constant source of frustration and depression.

Here again fear of annoying landlords and having to find other accommodation discouraged tenants from complaining about poor facilities and sub-standard conditions.

One mother who had asked the landlord to mend the copper, without success, said that she did not like to press the point; "after all, he can always rent the place to someone else".

Sub-standard conditions - peeling paint, leaking roofs, poor facilities - are likely to depress and discourage women who are faced with housekeeping and caring for children under such conditions. Some of the families visited were to be admired for the way in which parents had maintained reasonable standards, despite their surroundings, but it was not surprising to see other families where such sub-standard physical conditions had resulted in poor standards of care, an atmosphere of apathy and lack of interest.

Over-crowding

Among the families studied, over half were living in overcrowded conditions. * There were families living in one room (usually families with only one or two children, but including one family with seven); large families were living in accommodation suitable only for small ones; two or more families were sharing accommodation meant for only one family so as to reduce rent costs; and families had

* See P. for criteria used in rating families as overcrowded. Information on overcrowded dwellings will become obtainable from the 1961 census, but was not available at the time of this report. The 1954 census tabulated material on "occupied private dwellings classified by number of rooms in conjunction with number of inmates". This showed that, for instance, there were in Victoria in 1954, living in one-room dwellings, 1400 families of three, 690 families of four, 210 families of five and so on. In dwellings of two rooms there were 2380 families of four, 971 families of five, 301 families of six, and so on. Equivalent information from the 1961 census can later be compared with the 1954 findings. Source: Victorian Housing & Associated Demographic Statistics, 1921 to 1960. Commonwealth Bureau of Census and Statistics, Victorian Office.

moved in with relatives without sufficient space for them, following some crisis such as unemployment or desertion. Deserted wives were particularly prominent among the overcrowded families. Their situation is discussed in more detail at the end of this section.

The D. family were an example of families living in one room. They had one room of only medium size (perhaps 12' x 11') into which was crammed a double bed, a small single bed for the four-year-old girl, a cot for the two-year-old boy, a wardrobe and chest of drawers, table and chairs, and a television set which will be mentioned later. There were only a few square feet of floor space left. The D's were not a particularly bad example. The M. family with seven children in one room was in a far worse position. They had a large room, but it contained a double bed, two single beds, two sofas used for sleeping, and two cots, together with wardrobe, cupboards, table and chairs. The mother of this family kept the room very clean and tidy, but commented on the difficulty of keeping the atmosphere fresh when so many people lived there. She saw little hope of moving because her husband was in poor health and irregular employment, so that £ 3 per week in rent was the most that they could pay.

There were many examples of families living in accommodation too small for their needs. In a number of interviews it was noted that rooms were "quite full of beds", and when bedroom space was insufficient, children had to sleep in living rooms, dining rooms, and in one family even in the bathroom, where double decker bunks accommodated two boys. Where two families shared accommodation to cut down rent expense, this usually meant children sleeping with parents (usually in the same room, occasionally in the

same bed). The most acutely overcrowded houses were those in which relatives had taken in families who were in difficulties, often with the intention of temporary assistance, but sometimes an alternative solution was hard to find and the prospects of the accommodating relatives were bleak. Some of their situations are described later.

The R. household consisted of a middle-aged couple with two children still of school age, into whose house had moved two married children, together with spouses and children, because of unemployment. The total numbers in the house were eight adults and eight children. Even overcrowded occupation of three bedrooms left two adults to sleep on the dining room floor. In another household of similar composition, the elderly parents had taken in one daughter with unemployed husband and children, also another daughter deserted by her husband, together with her children.

Under these various circumstances, it is obvious that standards of "proper" sleeping arrangements must be ignored. Children must sleep with parents, brothers and sisters in the same room even at adolescence, infants and toddlers occupy rooms with elderly people, and various other arrangements deny privacy to those concerned. In some of the situations seen, there were also dangers to physical health. Parents of children sleeping in overcrowded conditions commented on the impossibility of preventing illnesses from spreading among them. In a number of families, babies and young children were getting far too little sleep because they slept in the same room as older children, parents or the television set. The D. parents mentioned earlier, commented on this difficulty, complaining that they could not get either the four-year-old or the two-year-old to go to sleep before 10 p. m. when the tele-

vision was turned off. In other families the parents suffered considerable inconvenience in trying to ensure that children got adequate sleep. One mother took it for granted (omitting to mention this fact until a specific question was asked) that she and her husband had to sit in the dark for half an hour each evening until their seven-year-old son went to sleep because they had only one room. One of the deserted wives sharing one room with her four children explained that they all, herself included, went to bed at once to avoid disputes as to when each should go to bed. The psychological implications of some of these physical arrangements are obviously complex, and this study can only suggest the problems which more intensive study might reveal. For instance, in one family there was a relationship of great over-protection and over-dependence on the part of mother and seven-year-old son, and the situation in which the family lived and slept in one room appeared clearly to be reinforcing this situation and hindering any development towards the child's greater independence.

Under such conditions, there is not enough living space for the ordinary waking hours activities of a family. If there is no living room separate from bedrooms, or if the only living space is a tiny kitchen barely sufficient for table and chairs, then all members of the family will be cramped and frustrated in their activities. A number of parents mentioned their difficulties in inviting friends into their accommodation. The mother of a family of five living in an ancient three-room terrace dwelling, with a very tiny kitchen-living room, commented on her difficulties in serving meals to her own family, and how impossibly crowded it became when any visitors squeezed into the room. Several of the parents living in rooms in apartment houses said that they did not feel that they could invite visitors in, either be-

cause the landlord disapproved of visitors, or because they themselves felt too ashamed of their surroundings. One father in such a situation said how he'd like to be able to invite friends "for tea or Sunday dinner" but "you can't invite people here", and indeed it was all they could do to provide sitting space for the interviewer. One deserted wife had explained to her landlord that she was expecting a visitor when the interviewer was due to arrive, because he discouraged her from inviting anyone in. In fact, she never invited anyone in, and she never visited anyone. Her contacts with other adults appeared to go no further than a casual word in the local shops. Living in one room, she did not even have enough housework to keep her busy.

In many of the families visited, the children suffered very greatly from an acute lack of space to play either indoors or outdoors. Terrace houses in the inner suburbs generally have very small backyards, where the washing, the outside toilet and the woodshed leave little space for playing. Families sharing a house of better standard with a garden may be faced with a different problem, that of a landlady or a relative who does not want her garden spoiled by children, and so restrictions must be imposed for a different reason. Families living in rooms in inner suburban apartment houses had particularly poor conditions for play. Children could not be allowed to play in passages or hallways because this annoyed other tenants, which left a choice of the cramped accommodation which the family rented, or somewhere outside. Yards are very small, and may be out of bounds because they are filled with clothes drying, and so the street or the back lane is the only alternative. If the streets are busy and mothers are worried about accidents, they may have to try to keep active youngsters in cramped indoor space.

One interview took place in just such a situation, where a mother was trying to make a four-year-old sit still and do nothing instead of running round the room or climbing on the chairs. This particular little boy was more fortunate than many, because a truck driver friend of the family took him out each afternoon on his truck. The mother said she did not know how she would have managed otherwise. Another mother living with boys of seven and five years in one room explained that in summer they "half lived in the park", but in winter there was nowhere to go and they had to stay in the room. She described how the younger boy had paced up and down the room, saying "I'll go mad in here". Another child of nine living in an upstairs room with his parents was not allowed to go into the street because of traffic and undesirable company. The previous summer the mother had got the landlord's permission to put up a little plastic wading pool in the tiny concrete backyard of the apartment house, but in winter the child had to stay in the upstairs room. In either case he seemed to spend little of his leisure time with other children. The relatively fortunate children were those who were able to spend most of their playtime at the homes of friends who had space in which to play. One family in which the father was a railways employee took the opportunity of concession fares occasionally and took their four children out into the country for the day to "let off steam", but such a remedy would not be financially possible for most families on a low income. Another mother described how when her family of five children had lived in two rooms, two of the children (aged four and two) had frequently wandered away from home. Finally the parents had moved to larger accommodation, a two-bedroom house with a yard which took nearly half of their income in rent, and the children had ceased to wander.

The mother commented anxiously "they must be more contented - it's worth the rent". In another overcrowded home, the mother commented "the place seems to get smaller as the children get bigger"

Television appears as a life saver to both parents and children living in cramped conditions. There were comments from parents - including the mother of seven children all living in one room - on the blessing of T. V. in keeping the children quiet and still. For the parents, too, it is a relief. The D's living in one room were slightly apologetic about their television set, but the father said "we'd go mad here if it wasn't for the T. V." The pound or so weekly which obtains a television set on hire purchase would not be enough to make any really significant change in the standard of accommodation which the family could afford.

Lack of opportunities for normal play is likely to be harmful in itself to children, but unfortunately it is often accompanied by continual badgering, slapping and threatening from parents who are fearful of complaints from other tenants and from landladies or agents. The R. family mentioned earlier, living in two rooms with two school-age children and one pre-school four-year-old, illustrated this situation. The interview was punctuated with slaps, threats and apologies to the landlady when the child made a noise in the corridor. Threats and punishment were perhaps all the more forceful to impress the landlady with the mother's good intentions. The mother recounted her successful handling of another child's screaming fit a few nights earlier. She suspected that the daughter was "blackmailing" her, knowing that she would be fearful of upsetting the landlady, but finally she stopped her screaming by threatening to "put her in the outside shower with the rats". The mother

added with relief that there had been no screaming fits since.

Another mother, Mrs. A., was more aware of the possible effects of such a situation on the child. She discussed her fears that the landlady would get fed up with the child, and said she had to "shush him all the time". She said that as a result the boy was very nervy, and recounted how a doctor had told her "his nerves are shattered". Another mother with some insight into the situation described how her two boys did not "lead a normal life". She could not encourage them to do things for themselves, but had to supervise them in everything they did and never leave them alone for fear they got into mischief and annoyed the landlord. She took them with her wherever she went, even to making them stand outside the toilet door. She said they were becoming "mollycoddled" but felt this was unavoidable.

In other cases parents expressed anxiety about the influence of other tenants on their children, mentioning drunkenness and foul language in particular. Families with higher standards than the surrounding tenants worried about the examples seen by their children, as well as suffering personal humiliation from their surroundings. A number of parents living in rooms complained of quarrels with other tenants. One husband said, "You can't help getting into fights. You want to use the copper and someone else is using it, so you ask her to take her clothes out . . . you can't get on with everyone in the place". His wife was at that time not speaking to one woman who was believed to have hit her son.

The loss of privacy and independence involved in sharing facilities is felt very acutely by some families, and one response is withdrawal. Mrs. A., mentioned earlier, was preoccupied with fears of her landlady knowing her

misfortunes, and said that she avoided speaking to her as much as possible "but sometimes" she said with a trapped expression, "you get caught, and she asks questions". This particular interview was conducted in whispers, and Mrs. A. was terrified lest the interviewer's car bear some mark of identification. She was constantly worried about offending the landlady - "You're on thin ice the whole time".

When accommodation is shared by related families, the problems are somewhat different. Personal relationships have a greater influence on the responses to physical conditions and there is less opportunity to withdraw behind a barrier of aloofness. Several mothers of families sharing housing with relatives discussed the difficulties of disciplining children - inconsistency of handling by different adults - "they've got too many bosses", the reluctance of parents to chastise in front of other relatives, the opportunities of children to play one adult off against another. One mother believed that her children's school work had suffered since they had lived with her husband's parents.

The implications of sharing accommodation for inter-personal relationships requires deeper study, but clues to further problems emerged. The same mother felt that her husband's self-confidence had been damaged by his inability to provide a separate home for his family, and she suggested that there was some link between this situation and his increased drinking. A young wife complained of lack of opportunity to talk with her husband; "there always seems to be someone listening", she said. One family was in a state of cold war, with the grandmother refusing to speak to her son-in-law or to eat in the same room. The humiliating position of some of the deserted wives taken in by relatives is mentioned later.

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High Rents

From the information already given concerning current housing costs on the one hand, and the financial resources of large numbers of families on the other, it is obvious that many families must be paying far more than they can afford on housing.

It has been widely accepted that one-fifth of the earnings of a low wage earner is the maximum which should be spent on housing. In the case of families dependent on social service benefits, the proportion should be lower still. One-fifth of £20 is £4, of £18 it is £3-12-0, of £16 it is £3-4-0, of £10 only £2. Even for £4 weekly, all that a family can obtain on the current rental market is one room, or a share in accommodation occupied by others.

In fact, most low income families pay far higher proportions of their incomes in rent. Of the families referred through welfare organisations (43% of whom were currently dependent on benefits), about 80% were paying more than a fifth of their income on housing, 70% were paying more than a quarter and over 50% over a third of their incomes. *

The proportions of income being spent on housing were calculated for certain other groups of low income families also. For twenty-six families with male wage earners and an average income of £17-11-3 who consulted the Social Service Bureau of the Brotherhood of St. Laurence during June 1963, excluding Housing Commission tenants, the average proportion of income being spent on accommodation was 33%. This represents an average payment of £5-15-10

* According to common usage, child endowment has not been included in "income" for these calculations.

weekly, indicating very low standards of housing. Calculations were also made for a group of over two hundred applicants for Family Assistance from the Social Welfare Department (1). Of this group, four-fifths were families without a male wage earner. The rest of the families were on some form of statutory benefit such as unemployment or sickness benefit, invalid pension or some ex-service pension. Of all these families over half were paying more than one-fifth of their income on accommodation. Of the remainder, the great majority were either living with relatives or living in Housing Commission dwellings on a rebated rent, and a few were purchasing. Only 10% of the total were in privately rented accommodation for which they were not paying over one-fifth of their income, and the majority of these were families with less than four children. Although all these families were on very meagre incomes, 13% of those renting were paying over half of their incomes on rent.

When rents are high and can barely be managed while earnings are regular, there is no margin for saving, and any interruption of earnings means a serious crisis. In many of the family histories studied, fluctuations in employment had led to housing crises and often loss of accommodation. Loss of a job, an accident, mental or physical illness, any of these circumstances are likely to cause an immediate crisis regarding rent payment.

The implications of an unemployment or sickness crisis are all the more serious because of the waiting period of seventeen days before the first payment is made. The introduction of small emergency payments by the Social Welfare Department in November 1963 does not solve this problem, because the maximum payment is £10, which would at most cover food for the waiting period.

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Families are therefore likely to accumulate two or three weeks of rent arrears before even regular benefits are available, and then the income from benefits is insufficient for all necessary weekly expenses and so a choice probably has to be made between payment of rent and payment of other basic expenses such as food bills, gas and electricity. If the landlord or agent is thought to be at all lenient, then it is the rent which is allowed to fall behind, though catching up on arrears will be hard enough on an income which normally leaves no margin. Often, even with every effort to keep up the rent, it just cannot be met during a period of unemployment or sickness. It follows from the earlier account of the great difficulties of finding reasonably priced accommodation that when unemployment or sickness befalls the breadwinner, the family cannot make a rapid change to cheaper accommodation. In the present market situation, accommodation cost is a relatively inflexible item. If accommodation cost amounts to almost the total income from benefits, then obviously it cannot be met, and arrears are accumulated or the family leaves the premises, perhaps moving in with relatives. If there is any hope of keeping up with rent, and if there are no relatives or friends offering alternative shelter, then rent may be paid while the family goes seriously short of other items, including food. The longer the period of dependency on benefits, the greater the difficulty. As pointed out earlier, for a family purchasing a home, loss of earnings may mean not only a move, but very distressing personal and financial loss.

The Effects of High Rents on Other Expenditure

When rents absorb too high a proportion of income, families spend less than necessary on other items. Those paying a high proportion of their income on accommodation

were asked what other expenses were most cut down as a result. The items most frequently mentioned were food, clothing and shoes. It was frequently commented that "the rent has to be paid first - you have got to have a roof over your head", and that other items had to be met from what was left over. Many of the families visited were spending less on food than the amounts indicated by diet studies as the minimum for healthy diet. * When less than £1-10-0 per head is available for food, then there is likely to be some deficiency of diet (especially since few housekeepers are as efficient as theoretical budgets) and when only £1 or less per head is available, then diet cannot be adequate. In some cases studied - including families dependent on benefits and large families dependent on low wages - payment for

* Estimates obtained from a group of professional dietitians in November, 1963 were: economical diet for an adult doing sedentary work - £1-13-4, for an adult doing heavy work - £2-2-4, for a six-year-old child - £1-9-6 weekly. A low-cost food budget prepared by the New South Wales Department of Health, calculated according to food costs as at 1st June, 1960 (used in survey "Widows in Australia" by Jean Aitken-Swan) reads as follows:

Man	£1-16- 3 weekly
Woman	£1-11- 5½ weekly
Pregnant and lactating woman	£2- 4- 2½ weekly
Children:-		
7 - 12 months	£1- 4- 9 weekly
1 - 4 years		£1- 5- 7 weekly
5 - 8 years		£1- 8- 8 weekly
9 - 12 years		£1-15- 9 weekly
Boys:-		
13 - 15 years		£2- 2- 2½ weekly
16 - 19 years		£2- 5- 2 weekly
Girls:-		
13 - 19 years		£1-16- 8 weekly

accommodation left no more than £1 or £1-5-0 per head for all other expenditure. This does not even leave enough for adequate food, without making any allowance for other necessities such as fares, gas, electricity and fuel, clothing and footwear, household equipment, medical and dental expenses, insurance and hospital benefits payments. In such situations, families must ask for assistance from welfare organisations, or else accumulate debts, including rent arrears.

One family of five (the R's) had recently arrived from another State, and had taken two rooms, with use of facilities, for £6 per week including gas and electricity. The husband failed to find work, and at the time of the interview the total income of the family was £9-7-6 unemployment benefit, plus 25/- child endowment. The rent had to be paid or the family would have been forced to leave their accommodation and they had no relatives or friends in Melbourne who could put them up. A total of only £4-12-6 was left for food and all other expenses for a family of five. The mother explained how she bought the week's supply of meat in the form of a "10/- tray" at closing time on Saturday morning, then cooked it all at once because there was no refrigerator or ice chest available. One family with five children, paying £10-10-0 rent out of the husband's wages of £17 (less £3 fares) plus a boarder's contribution of £6, had only £11-15-0 including child endowment with which to feed eight people and buy all other necessities.

A deserted wife with five children paying £7-7-0 rent out of benefits of £12-15-0 was temporarily helped by having her sister staying with her and sharing expenses, but could still buy less than two pints of milk a day for her family. The mother of another family with four children paying £7-10-0 out of £17 earnings said that she had to buy food

from day to day, according to her resources. Generally she bought only $1\frac{1}{2}$ pints of milk a day and by the end of the week they ate "chips and onions" which the husband, a driver, was able to obtain without cost. Another deserted wife, Mrs. D., paying £4-10-6 rent out of £7-12-6 benefits said that what was left over was not even sufficient for food and milk for herself and two very young children. A family with five children with garnisheed earnings of £13 clear was clearly unable to cover essential expenses when the rent was £6-10-0.

The other item most frequently mentioned as affected by high rents was clothing, and particularly footwear. Many of the families studied said that they obtained second-hand clothing from relatives, friends, second-hand shops or welfare agencies. Shoes were a greater problem because they were seldom obtainable except through buying them new. "Shoes are a nightmare" said a deserted wife with two school-age boys, while the mother of the B. family mentioned above said "It's either tea or shoes - it sounds ridiculous in this day and age, but it is true". When expenditure of child endowment was discussed, shoes were one of the items most frequently mentioned, the other being overdue bills for gas, electricity and other debts.

Unpaid bills were mentioned frequently; bills for gas, electricity, furniture on hire purchase, medical and hospital bills, local rates and road-making. There was also the problem of fares for job hunting in the case of the unemployed wage earner, or for other important journeys such as visiting a sick child in hospital. One man living in St. Kilda stated that he walked to town job hunting because he could not afford fares, and another commented that fares prevented him from job hunting beyond the inner suburbs, even if there

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were good prospects further out. A number of families discussed the impossibility of obtaining furniture they needed except on very low weekly payments or through welfare organisations. A number had failed to keep up with weekly payments and so had lost furniture by repossession. The difficulty of replacing worn-out household equipment such as blankets, sheets and towels was also raised. School expenses such as books and uniforms were another worry. One deserted wife, with two school-age boys, spending £5-10-0 out of £12-10-0 on rent, described how she had had to refuse her son the cost of a school excursion, and how disappointed and embarrassed he had been to be unable to take part. Mrs. R., mentioned earlier, paying £6 out of unemployment benefit for rooms, had not been able to pay even a bill of 12/- for school books.

Few of the parents interviewed even raised the matter of entertainment expenses, except in the form of payments on T. V. Questions about expenditure on entertainment, holidays and leisure pursuits brought various responses from bitterness to resignation because they could not think of spending money on such items. One father said that he had been to the football the previous Saturday, but that was the first time in three years because he could not afford it. One deserted wife said that she had no T. V. or wireless, and had last been to the cinema two years ago. Another deserted wife leading a very isolated existence, unable to afford the fares to go out, said that the gift of a wireless from a welfare agency had made her a little less lonely and depressed.

A few families had owned cars and had had to sell them because they could not afford running expenses. One was the R. family who were paying £9 out of £21 on the purchase of their house. The wife of this family commented

on the pleasures which all the family members had to sacrifice. Her husband had lost his car, she could never go out and had to go without T. V. ; while the children had to go without sweets, toys and books. When income is insufficient to cover even the basic necessities, to buy anything on impulse, to buy anything for extra comfort or for enjoyment, means debt or deprivation of the basic items.

Deserted Wives and Widows

The housing problems of families without a male head are not essentially different from those of other low-income groups, but the position of this group is particularly acute and illustrates very clearly the effects of the current situation both in physical and in mental or emotional terms.

Families without a male wage earner, both among the families studied and in other groups known to the Brotherhood of St. Laurence and Citizens Welfare Service, were spending less on average than other low-income families on accommodation. Their average expenditure of round £4-15-0 indicated very poor standards of housing, while at the same time representing too high a proportion of their very low income.

Among the deserted wives and widows studied, those who were renting separate accommodation were all paying prices which left them insufficient money for other necessities. For instance, Mrs. N., a deserted wife with two boys aged nine and six years, was paying £4-10-0 out of £10-10-0 benefits weekly for one room and use of facilities. She explained her expenditure in detail, showing that in winter her whole income was needed to cover rent, gas, food and fuel. In summer the money not spent on fuel she used to try to keep the boys in clothes and footwear. She expressed

great anxiety about the future, saying that as the boys grew older, they would eat more and would not be satisfied with soup instead of a meat course several nights a week. Another deserted wife with five children was paying £6 per week out of £12-17-6 benefits for two rooms on opposite sides of a passage, plus a tiny kitchenette. It was quite impossible for her to feed and clothe her family on the remainder, and so from time to time she had to obtain help from welfare organisations.

The greater number of deserted wives and widows visited were sharing accommodation with relatives and friends. Most of them had moved in with these existing households immediately following desertion. Generally they were better off financially than those renting separate accommodation, * but other problems arose from the expedient of sharing. In a few cases only, the sharing arrangements suited the other parties quite well. In one case two deserted wives, mother and daughter, shared a rather dingy outer suburban shop dwelling for £5 per week, while in another case a sister also dependent on social service benefits shared with the deserted wife the rent of £7 weekly for an old terrace house, over-crowded and lacking adequate facilities. In the majority of these cases, however, the sharing arrangements involved discomfort for all concerned, and showed great kindness or tolerance on the part of those giving this assistance.

* The average amount paid by the 4 families who were living with relatives and contributing towards rent was £3-15-0. There were also 10 families who were living with relatives or friends without paying any contribution towards rent. The 5 families who were sharing rent equally with co-tenants paid an average £3-9-8. These figures are considerably lower than the average of nearly £5 paid by the 23 families renting rooms, while average rents for houses were considerably higher again.

Some apparently unsatisfactory arrangements were being accepted with great patience by all those involved. One composite household consisted of an elderly great-grandmother, grandmother and two young single aunts, into which had moved a young deserted wife and her two-year-old daughter. At the time of the interview the two-year-old was sleeping in the same bed as the great-grandmother, with another aunt in the same room, while the deserted wife had moved into her mother's room. No one showed any resentment over the situation, however; and the deserted wife recognised that she could not afford to rent separate accommodation from her weekly earnings of £9-14-0. She was paying her mother only £4 per week board for herself and the two-year-old. Another deserted wife with three children had been taken in by friends, at their own expense, though this meant cramming extra beds in the bedrooms with an overflow of one child into the living room. The only future plan which this woman had was Housing Commission accommodation, for which she was resigned to moving to the country, but she did not know how long she would have to wait.

In several cases the deserted mother and three or four children had to sleep in one room, whatever their ages and sexes. Perhaps the most overcrowded situation, and one which was a source of great tension and conflict, was one in which seven children were sleeping in one room, crammed in by means of triple bunks, while the eighth child of the family slept on an unenclosed open front verandah. This family had lived with the mother's parents for five years, with a short period away when the father emerged briefly from prison. The deserted wife herself said that the situation was very difficult, and reported that the grandparents were "fed up" too. There was not enough sleeping space, living space or play space, and the situation was wearing to

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everyone's nerves. The grandmother got tired of the situation frequently, threatened to "turn them out", and accused the mother of not looking hard enough for alternative accommodation. The children took sides between the mother and grandmother, having "too many bosses". Despite these stresses and strains, the mother felt that there was no alternative but to stay there until her husband was out of gaol and earning again, because her enquiries for accommodation had not found anywhere she could take eight children for less than £9-9-0 per week.

Several of the deserted wives living with relatives expressed their dissatisfaction with such an arrangement, but said that they could not afford any alternative. One of those in this situation was Mrs. M., the mother of two small boys, who had hired a caravan for £4 a week and parked it at the house of her sister and brother-in-law. She and the boys slept in the caravan but ate in the house with her sister's family, paying the sister £2 per week for food (which represented a loss for the sister). The brother-in-law showed his resentment and hostility, and Mrs. M. felt humiliated by the situation. However, when she had taken a flat she had found that she could not make ends meet and so returned to the caravan arrangement. Out of her earnings of £11-7-0 she had to pay £4 for the caravan, £4 for child-minding and £2 for food, leaving only £1-7-0 for fares, clothes and all other expenses for herself and the two boys. It is hard to see how she could have managed without her sister's assistance.

It is quite clear from the study of these low-income families that family well-being suffers in many ways from the current housing situation. In sub-standard accommodation, parents face constant handicaps and discouragement

in attempting to care for their families; while in overcrowded and shared accommodation, all members of the family are likely to suffer from lack of privacy, lack of space for leisure activities - which is particularly hard on children - constant inconvenience and irritation arising from the sharing of facilities, and the heightening of personal tensions by this kind of environment.

It is clear also that current market rents, which constitute too high a proportion of low wages and of all forms of social service benefits, mean that low income families not only have to go without many items accepted as part of a proper standard of living today, but often find it difficult to cover even the basic necessities of food, shelter and clothing.

B. The Long-Term Effects

What are the long-term effects of the situations which have been described? What kinds of family life develop as families try to deal, over many years, with a market situation in which they cannot afford decent housing? The case study method used here allowed family histories to be followed over considerable periods of time.

A Series of Makeshifts

Many of these families had never occupied satisfactory accommodation, but had moved from one makeshift arrangement to another. The S. family, consisting of parents and one seven-year-old son, had over a period of eight years lived in a succession of rooms, usually one room with use of facilities, at prices between £3-10-0 and £4-10-0 per week, and almost always in the areas of Fitzroy or Richmond. Usually accommodation had been found through personal contact - through a relative or friend, or

through a chance conversation in the street, then by direct arrangement with the landlady. Another family, a young couple with one child and another expected, had lived in at least six different places during the two years of their marriage. Two of these moves represented periods with relatives after being asked to leave accommodation, once because of rent arrears which accumulated when the husband lost his job, and the other time because their landlord objected to the prospect of two children. Two of the moves represented "rooms" - two rooms for £3-10-0 and £4-10-0 respectively in Dandenong. The only house which they had rented - also in Dandenong - had been £8-15-0, and this they had to vacate after three months because of arrears. Their accommodation at the time of the interview was a flat of three rooms with washing and laundry facilities shared, on the outskirts of Dandenong, for £5-5-0.

The C. family with five children had lived in five different places over the past five years. These included a father-in-law's garage, a dwelling behind a shop and two larger houses at higher rents which the C's could pay only by taking in boarders. This system had worked fairly well, but at the time of the interview there was an acute financial crisis because one elderly boarder had died and the other had gone to hospital, leaving the C's with a rent of £10-10-0 to pay out of earnings of £17 less £3 fares. The H. family had lived with in-laws for four years, then shared an elderly man's house for four years, and later rented for £5 a week two rooms, not even next door to each other, with no other cooking facilities than an open grate. By the time of the interview they had rented a bungalow behind a relative's house for £4 a week. The father of this family earned £15-17-0 a week and his wife had been ill. Even with only one child he could not afford to pay the market price for a rented house.

The rate of mobility of some of these families was strikingly high. Some moved from one side of the city to the other, others within a very small area. One family with one child had lived in fourteen different places over the last five years, all in the St. Kilda - Elwood area, and all in the £5-0-0 to £5-10-0 price range. At least some of the moves had been due to rent arrears. The implications of such frequent moves for children are serious. Their schooling must be handicapped, their friendships must be interrupted, and the security and stability of their childhood must suffer.

Dependence on Relatives

The provision of emergency accommodation by relatives appeared as a very important part of the housing pattern of many families who could not afford market prices for suitable accommodation. The majority of families studied had at some time during the past five years stayed with relatives, usually following a crisis or misfortune of some kind - loss of a job, sickness, arrears of rent, accumulation of debts. For some families this assistance represented a hidden subsidy, and accounted for the apparent excess of expenditure over income. They were not in fact able to meet their commitments from current income and after a time became overwhelmed by them, moving in with relatives and living more cheaply than as a separate household until the situation had stabilised somewhat. This alternation between maintenance of a separate household and "doubling-up" with long-suffering relatives who usually received little financial recompense, appeared in the housing histories of a number of families with incomes which were unstable or inadequate in relation to the requirements of the family. The relatives most often mentioned as pro-

viding emergency shelter - often with great inconvenience and discomfort - were the parents of either husband or wife of the family being considered, though sisters, brothers and other relatives were also mentioned. Older relatives have probably passed the period of heaviest financial commitment and are therefore able to bear some of the financial strain, even if their income is not appreciably higher.

Several families had shared the expenses of accommodation with relatives on an equal basis for long periods of time. The M. family, with four children, and an income of about £20 from the father's taxi driving, had shared a series of houses with the husband's parents over the past five years, after they lost a Housing Commission house when the husband was unemployed. The wife discussed the problems of such an arrangement and expressed dissatisfaction with it, but stated that sharing of expenses seemed the only alternative to living in cramped rooms. She pointed out that eating together with in-laws was easier than keeping the children waiting for their meals because other tenants were using shared cooking facilities.

Another family with four children, where the father was epileptic and unemployed at the time of interview, had shared a total of nine different dwellings with relatives during the past five years. Usually with a sister-in-law and family, occasionally with a mother-in-law, they had shared houses in a variety of suburbs, contributing about £5 per week in rent. On one occasion five different related families together tried to buy a house, using as deposit the £300 which an elderly relative had been given as compensation for leaving a slum house. However, two of the husbands concerned became unemployed, and purchase had to be discontinued. The wife commented that "it was

rather overcrowded anyway". At the time of interview this family occupied one of a pair of attached terrace houses sharing a common bathroom, toilet and laundry at the rear. The other terrace house was occupied by the wife's sister and her family, while the wife's mother lived in the same street. The pattern was still one of frequent mutual help.

Break-up of Families

Families who do not have relatives able and willing to take them in when an emergency arises, may face the possibility of breaking up if they lose their accommodation and cannot find - or cannot afford - another place quickly. There is no provision in Melbourne of emergency shelter where a family can take refuge while hunting for alternative accommodation. There may be no other alternative for parents but to place children, either through unofficial channels by a welfare organisation, or through the Social Welfare Department.

Two families interviewed admitted to having placed children in institutions temporarily because they were unable to provide suitable homes for them. The causative factors in such cases are often complex, and it is not possible to say that housing was the only factor involved, but it was a major factor. One family with seven children moved from the country to Melbourne at a time when the father was already unemployed and they had no money in hand. The parents placed the children in the Social Welfare Department Receiving Centre for a few weeks and lived in one room rented for £4-10-0 while they looked for employment and accommodation. After under-stating the number of children to an agent, they took a furnished house at £9-9-0 per week. The husband's basic earnings were only £20, but at the time of the interview he was able to work

overtime and so pay this rent. He commented that if the overtime was reduced, he would be "really in trouble", and would face another crisis. These parents felt very upset at having let the children be separated from them but saw no other course of action at the time.

The fear of "losing the children", sometimes allied with misapprehensions about the child welfare authorities, appeared to be influencing the behaviour of certain parents. The N. family was one example. The N's had seven children, one of whom was still in a boys' home, and three others of whom had spent some time in institutions. The N's had just secured, at the time of the interview, a very ramshackle but large terrace house in North Carlton at £11-11-0 per week, an unrealistic commitment in view of Mr. N's earnings of £19-18-0 per week, interrupted from time to time by asthma attacks. Their explanation of this action was "you've got to have a roof over the children's heads, otherwise the police can pick them up". They had been afraid of losing the younger children again and now expressed the optimistic hope that they would be able to bring home the one child still placed in an institution. The information obtained about this family's history suggested a very unstable pattern, and a very complex web of cause and effect. However, it did seem that fear of a further break-up of the family had been one of the reasons why these parents had taken on such a rash commitment. Other parents, in describing their housing experience over the past few years, mentioned times when they had felt desperate because they could not find suitable accommodation and thought they might have to "put the children in homes".

Low Standards of Living

On the other hand, some families had adjusted to high rents by cutting all other expenses to a very low stan-

dard of living. For instance, the O. family, with three children and an income of £20 clear from the husband's earnings as a life insurance salesman, had paid rents of £8-8-0 to £10-10-0 over the past five years. The wife said that they managed to live on the remainder, though they could not have spent on food sufficient for an adequate diet, and she admitted that they "generally got the final notice" before any bills were paid. Many of the families were resigned to spending one-third or more of the family income on accommodation, cutting other essential items accordingly. When asked "What can you afford to pay for housing and still have enough left for other things?", some of the replies gave figures which in fact left quite inadequate sums for other expenditure. For instance, one deserted wife with two children said that she could "afford" to pay £3-10-0 out of £7-12-6 benefits on rent, while another with five children gave the figure of £5 out of £12-17-6 benefits. In several large families living on earnings of between £14 and £18 weekly, parents said they could "afford" £6 weekly though this did not in fact leave sufficient money per head for other essentials. These comments show how conditioned many families are by current housing costs, so that they take for granted that their whole standard of living must be depressed by high rents.

Future Prospects

The future prospects of most of these families were very bleak. Some seemed likely to continue to move from one makeshift arrangement to another, without any real rise in housing standards. In such circumstances, a move may represent the mounting of discomfort and frustration to a point where a move may relieve the strain, even though it may not represent any overall improvement in housing

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standards and facilities. The inconveniences and inadequacies of the next makeshift accommodation are at least a little different, the novelty of change and the appreciation of any specific improvements may result in a reduced feeling of dissatisfaction, until the inadequacies of this next accommodation also become clear, and the somewhat illusory feeling that the situation has improved is replaced by mounting tension again.

On the other hand, a number of families saw themselves - on the whole realistically - as being stuck in unsatisfactory accommodation with little hope of movement or improvement. Several large families, with five or more children, were in this situation. They could not afford to pay any higher rent, and knew that they could find nothing better without paying more, while the difficulty of finding landlords willing to take a number of children, and the other financial obstacles to moving discussed earlier, discouraged any attempts to move. The few families who had sub-standard accommodation at very low rentals felt that they could not afford to move when an improvement in standards would mean an increase of perhaps £6 weekly in expenditure on accommodation. Others had not moved despite acute dissatisfaction because they were dependent on Social Service Benefits and could neither afford to move nor would have found it easy to convince agents and landlords of their reliability. The A. family of three living in the tiny bungalow described earlier for £3-10-0 per week, are an example of such immobility. The father had not been regularly employed since they moved to this accommodation, and until he received regular earnings they were "stuck" where they were; hence Mrs. A's frequent visits to the Housing Commission office.

Future housing prospects were closely related to future employment prospects. Some wage earners had little to offer prospective employers because of lack of skill and poor physical health. The family with seven children living in one room, mentioned in previous sections, had poor prospects of being able to afford a higher rent than their present £3 per week because of the father's poor employment prospects. He had a European professional training which was of no use to him here, so he had to take unskilled jobs, but his poor physical health (and perhaps also his low morale) meant that he held no labouring job for longer than a short period. This situation was likely to deteriorate rather than improve as he got older. Another father had worked with the railways in other States until he contracted tuberculosis, and since his recovery had taken casual jobs. He had no trade and could not manage heavy work, so his employment prospects were very poor. This family with three children had lived in a succession of rooms and could afford nothing better. The migrant family mentioned earlier paying £7 out of £14 on the purchase of a sub-standard house could not look forward to any very considerable increase in income compared with the father's current earnings as a cleaner of £14 per week because he was unskilled, physically weak and spoke poor English. Another family facing poor prospects, a young couple expecting their second child, was hindered not only by the husband's lack of skill, but also by his susceptibility to migraine headaches and asthma attacks. These caused frequent loss of work and were likely to hinder any improvement of his current wages of just over the basic wage (then reduced to £13 by a garnishée for hire purchase debts).

Some of the families did not show any particular physical or mental handicaps in the parents, who appeared

to be quite stable and responsible people. Sometimes the housing problem arose because a family including several children was dependent on a wage earner who had no particular qualification or training. For an unskilled wage earner unlikely to earn much more than £17 or £18 a week, the situation becomes worse as the family increases. Generally these families had little false hope about their future housing prospects. They responded with attitudes of bitterness, despair or apathy.

Apart from those who were already purchasing satisfactory homes, there were only a few who showed any optimism. In two cases, the wife was working and so there was some hope of saving capital for purchase of a home. A few parents believed that they would be rehoused by the Housing Commission quite soon. In certain cases these hopes seemed realistic, as when a deserted wife had stated that she would be willing to take a country house, or when a family was living in a condemned house soon to be demolished. In other cases the realism of hopes of an early allocation of a Housing Commission dwelling could not be assessed. A few other families had hopes of improving their housing situation through sharing a house with friends. In one such case an unemployed man and his family were planning to share the cost of a house with an employed single friend and also a pensioner if they could convince an agent of their reliability. In another rather unusual case, the husband was due to receive a small legacy which the couple hoped to use as a deposit on a Housing Commission house; the wife said that if it were not for this hope of improvement in their present hand to mouth existence, she "would have left". In another atypical situation, the husband was a Railways employee and saw some chance of decent accommodation in a country Railways house.

However, most of the families who were living in unsatisfactory accommodation, or paying too high a proportion of their incomes in rent, felt that they had little hope of obtaining suitable accommodation at a price which they could afford. Most of those renting accommodation were certain that on their incomes of £ 20 per week or less, they would not be able to buy homes, and they were fully aware of the problems of renting. One young man, whose wife was expecting their second baby, voiced his worry and hopelessness. They were then living in one room for which they paid £ 3-10-0 per week. He was currently unemployed and generally earned £ 16 or so. While they had only one child they could live in only one room, he said, but "once you've got more, then you need two rooms, and you've got to pay £ 6. I can't do it". This man, who looked ahead perhaps more clearly than many in his situation, showed considerable bitterness, blaming migrants for his current unemployment. Another father of one child, paying £ 6-10-0 for a tiny flat, out of £ 17 wages as a pastrycook, said "we could be worse off - we could have three or four children". A family with six children living in two rooms (the sleeping room "quite full of beds") for which they paid £ 6 out of the father's earnings of £ 17, expected to have to put up with this kind of accommodation indefinitely "unless we win Tatts". A number of applicants on the Housing Commission waiting list said that they would just have to stick it out in their present conditions until their turn eventually came round; others had given up hope of a Commission dwelling and felt that they would have to put up with inadequate housing until their children began earning and so the family could afford higher rent.

Those most harmed in their outlook by the difficulty

of making adequate accommodation arrangements, were the parents who appeared overwhelmed and apathetic, who could not look ahead or plan ahead with any optimism, and so ceased to look ahead at all, their whole energies apparently absorbed by living from day to day under conditions lacking space, comfort and privacy.

The costs of the present housing situation in terms of family well-being are very high. The community suffers, as well as a host of individual families, when living conditions harm the physical and emotional condition of its present and future citizens. The shortage of rental accommodation at reasonable rents must be seen not only in terms of numbers but also in terms of human suffering and social cost. These considerations should help to determine government housing policy, and housing should be accepted as has already happened in a number of other countries as a preventive social service.

The Original Purposes of the Victorian Housing Commission

The existence of a State housing authority and Commonwealth provision of housing finance do not necessarily mean that the housing problems described are being dealt with adequately.

To understand and evaluate current housing policy it is necessary to look at the origins of government intervention in the housing field, and the changes of policy which have taken place at Commonwealth and State levels during the last fifteen years or so.

When thirty years ago in 1936 the Victorian government appointed the Housing Investigation and Slum Abolition Board to conduct an enquiry, its terms of reference included not only slum clearance but also housing for the lower paid worker. The report concluded that houses for sale or letting at an economic rent would not solve the problem of slums, since the families living in sub-standard housing could not afford to pay economic rents. Therefore the task of re-housing could not be left to private enterprise, and State responsibility to subsidise housing for low-income groups was emphasized. The report went on to consider the ways in which rents might be adjusted to the needs and resources of the individual family. It noted that the original Harvester award assessed rent as one-seventh of the basic wage, whereas recently rent had been taking an increasingly greater share of the basic wage earner's income (at the time of the report the average rent for a family dwelling was over a quarter of the basic wage). It was suggested that other necessities, particularly food adequate for health, suffered as a result. The solution recommended was an adjustment of rent of State-owned dwellings.

according to both the income of the family and the number of children. The scale suggested would charge just over one-fifth of the basic wage for a man with wife and three children, with further deductions for more than three children. (1).

This report was followed by the Housing Act of 1937 introduced by a Country Party government which set up the Victorian Housing Commission, with the objects of:

- (a) the improvement of existing housing conditions
- (b) the provision of adequate and suitable housing accommodation for persons of limited means.

For the second objective, powers were given to the Commission in the following year to acquire land and lease, purchase or build houses, which were then to be leased or let (not sold) to persons who were "unable to secure suitable housing accommodation otherwise than under this Act." (2). In accepting applicants, the Commission was to take into account their existing accommodation, particularly overcrowding and insanitary conditions, other accommodation available within their means, and the number of children in the family. Preference was to be given to people displaced in the course of slum clearance. Rents were to be based on economic rentals, but there was to be provision for rental rebates. The indefinite wording "persons of limited means" was not made more specific, despite some anxiety among the Opposition of the time that this gave the Housing Commission dangerously wide powers. Government speakers reassured the Opposition that for some years (estimates varied, though seven years was the longest estimate mentioned) the Commission would be safely occupied with slum clearance. When more

specific definitions of "limited means" were being discussed, it appeared that in fact appropriate annual income figures might include embarrassingly large proportions of the population, and it was suggested that even the basic wage earner might come under the category of those who could not afford the economic rental of suitable accommodation. (3). An obvious objection to definitions including specific financial figures was the need for constant revision. Finally the loose definition was retained.

Members of both parties agreed that "The purpose of this important measure is to provide housing for people who are in the unfortunate position of not being able to provide suitable housing for themselves." (4). One of the spokesmen of the United Australia Party stated that "When the Government has provided sufficient homes for the lower-paid classes, it would then be time to consider whether something should be done to provide for those who are in a position to pay an economic rent." (5). Both parties agreed that other housing agencies such as building societies should be encouraged to provide for the needs of other classes and for purchase rather than rental. There was no serious attempt at this stage to include sale of houses in the powers of the Housing Commission and it was generally agreed that it was "impracticable to propose home purchase to the kind of person contemplated in the Bill". (6).

During its earliest years, the Commission found that one of the urgent needs which it faced was for housing for "persons who on account of the size of their families find it impracticable to obtain suitable accommodation at a rent compatible with their incomes". (7). In 1940-41 one quarter of Housing Commission tenants were on rental re-

bates. The system introduced adjusted rents according to family income but without reference to the number of children.

Before the Commission had been operating long, the Second World War altered the emphasis of its work. With the dwindling of private building and the increase in the shortage of total housing in relation to population, slum clearance gave way to building for overcrowded families, while some of the Commission's effort had to be directed to building in country towns for essential workers in decentralised industries. In 1943 the powers of the Commission were extended. It was given powers to sell houses to eligible persons and to act as a lending agency by advancing up to 90% of the cost of a house to aid purchase or building. However, up to June 1945 the Commission completed only a little over 2,000 dwellings.

Commonwealth Responsibility in Housing Field

During the War the Commonwealth Government considered its proper role in housing through the Joint Committee on Social Security. In 1942 this Committee, in its report on "Housing in Australia" (8), suggested that the Commonwealth should accept responsibility for a national housing scheme, the particular concern of which would be the provision of a supply of dwellings for low wage earners. These homes should be let if necessary at sub-economic rents adjusted to income and family size. It was suggested that rents should not exceed 15% or at most 20% of the basic wage, and should be adjusted at an even lower level for needy families. The houses should also be available for purchase, on a deposit of 10%, with provision for purchase without deposit when necessary. These plans were not in-

tended to be the only means of dealing with the housing shortage. Agencies such as building societies were envisaged as important in providing for the large section of the population not in the low income group.

One of the recommendations of this report was a national Housing Planning Authority. In 1943 the Commonwealth Housing Commission was set up to enquire into the current housing position and the housing needs of Australia during the post-war period. Its report confirmed the conclusions of the Joint Committee that the main concern of government activity should be the low income group, who would not be provided for by private enterprise. It was suggested that long range plans should include houses both for rental and for sale, but that "during the early post-war period the great bulk of government-financed housing should be for renting. . . ." (9). Long term plans should include schemes of home purchase which would allow low earners to spend on repayments no more than one-fifth or one quarter of the basic wage. However, early post-war conditions of high building costs, the desirability of a mobile work force, and the need to meet cases of greatest need first, indicated concentration on rental housing first. Moreover, there would always be some groups in the community who would prefer rented rather than purchased dwellings. The Commonwealth Commission supported subsidisation of rents for "sub-economic" tenants, by a rebate system similar to that of the Victorian Housing Commission, which allowed adjustment of rent to family income.

It was suggested that allocation of dwellings should be made on the basis of a priority points system, considering war service, family size, bad present housing conditions,

high rent (i. e. 25% or more of income) and income below the basic wage. The Commission believed that this system of allocation would ensure that "dwellings erected under the scheme will be occupied only by persons with low incomes and/or large families." (10). It recommended that rents should not exceed one-sixth of the basic wage for rental, one-fifth for purchase (11).

After conferences of Commonwealth and State Ministers during 1944 and 1945, the Commonwealth-State Housing Agreement of 1945 put into effect some of these proposals. This agreement, which was to remain in force for a period of ten years to 30th June, 1956, accepted the principle that the Commonwealth and the States should jointly accept responsibility for low income earners. The principal task of the Commonwealth was to provide cheap money for housing programs. The terms of the agreement were as follows :

- 1) The Commonwealth would provide loans to State housing schemes at 3% interest, repayable over fifty-three years.
- 2) The Commonwealth would meet three-fifths of any financial losses incurred by these schemes. The principal source of loss was likely to be the rental rebate scheme set out in the schedule to the agreement.
- 3) Rent rebates were to be provided for families on low incomes, so that rent was no more than one-fifth of any income equivalent to the basic wage or less (with a minimum rent of 8/- weekly).

At this stage, the schemes envisaged were for rental. Although a clause permitted sale to tenants, the pur-

chaser had to pay cash for the total price immediately because the Commonwealth demanded immediate repayment of the full value of the house. There was clearly no intention of sale on any significant scale. It was stated that the purpose of the agreement was to establish rental housing projects in the various States, not to set up home-selling schemes, which were seen as the function of other agencies such as the banks and the War Service Homes Scheme: (12).

Apart from provision of finance, the Commonwealth functions were considered at the time to include supervising of housing standards, facilitating supplies of labour and materials, and carrying out research. It could arrange with State housing authorities to contribute to the cost of community facilities associated with housing projects.

Post-War Housing Situation

As soon as the Victorian Housing Commission was set up, a flood of applications came in, and the Commission was faced with great difficulties in selecting tenants. By June 1946, the number of outstanding applications was over 17,000, of which over 12,000 had been received in the previous twelve months. (13). With lack of sufficient staff to investigate all claims, the system of ballot for selection of claims to be investigated was introduced, with automatic investigation of the claims of large families (five children, later four children). Some preference was given to ex-servicemen (a minimum of 50% of houses had to go to this group, but in fact the proportion was around 70% in 1944-6) and to employees of decentralised industry. In 1955 the ballot was discontinued in favour of investigating applications in order of registration, with priority categories as before.

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It was immediately after the War, when the housing shortage was most acute, that a State system of emergency housing was also set up under the State Treasury, by converting (without any specific legislation) army huts and other buildings in the metropolitan area and in a number of country towns to provide accommodation. By mid-1949, some 1,200 housing units were provided in this way, probably housing at least 50,000 people, since average family size was large. (14). This emergency scheme was gradually reduced during the 1950's, the last and most notorious emergency housing camp, Camp Pell, being closed in 1956.

During the ten years' of the first Commonwealth State Housing Agreement, there was always a long waiting list of unsatisfied applications. By the mid-fifties, 15,000 applications per year were being received, and the Commission was several years behind in even the investigation of their claims.

The other problem which increased during this period was the rise in the economic rents of Commission houses (from about £1-0-0 to £3-0-0 weekly for a family house) and the consequent rises in the cost of rental rebates and the number of evictions. (15). Administrative and maintenance costs were also rising, and these problems reinforced the acknowledged reluctance of the Liberal Government to encourage large-scale State landlordism. From 1951, the Housing Commission invited and encouraged tenants to purchase their homes, but the need for cash purchase explained earlier was one of several administrative obstacles and there was little response. By 1955 only .34% of the Victorian Housing Commission's houses had been sold to occupiers. (16). In some States the proportion

sold was higher, but it was generally agreed among the State housing authorities that conditions of sale should be made easier. It was not claimed that the demand for rental housing had been met. In fact, during this period the total stock of rental housing had declined from 288, 575 to 217, 577 rented dwellings in Victoria (censuses 1947, 1954). There were still long waiting lists for rental housing in all States.

Change in Commonwealth-State Housing Agreement

The 1956 Commonwealth-State Housing Agreement, negotiated by a Liberal Federal government, differed in a number of conditions from the 1945 one :-

- 1) The Agreement was for a period of five years only.
- 2) The interest rate on money loaned to the States for housing purposes under the Agreement would be 1% less than the prevailing Commonwealth Bond rate (this meant in 1956 an immediate increase from 3% to 4%, which added 10/- or more to the weekly rental of houses).
- 3) There was no provision for the Commonwealth to share the cost of rent rebates on houses built under the new agreement. The Commonwealth would continue to pay three-fifths of the cost of rebates on houses built under the 1945 agreement.
- 4) Of the total funds made available to the States by the Commonwealth for housing purposes, a proportion was to be diverted from the State Housing Authorities to Co-operative Building Societies and other approved institutions for lending to private home builders. The proportion was to be 20% in the first two years of the Agreement, 30% in succeeding years.

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- 5) Of the funds remaining to the State Housing Authorities, 5% was to be devoted to erecting homes for serving members of the Armed Forces; the Commonwealth would subsidise this amount pound for pound.
- 6) Terms were laid down by which State Housing Authorities could sell houses to tenants. No longer did the State Housing Authorities have to repay the Commonwealth immediately the full capital cost of the house. Deposits were to be 5% of the first £2,000 and 10% of the remainder of the advance given, with a maximum advance of £2,750, to be repaid over a period of forty-five years at 4½% interest. If the house cost more than £2,750, the purchaser had to find the deposit specified above, plus the balance.

The schedule to the Agreement stated that houses erected under it were to be "primarily for families of low or moderate means", suggesting a wider scope than the previous wording "persons of limited means". There was still no attempt to limit the tenure of all State housing tenants by imposing the maximum income after allocation of the house during subsequent tenancy. Though the Commonwealth repudiated continued sharing of rebate costs, the Victorian Government, encouraged by the agitation of welfare organisations, decided that the Victorian Housing Commission should pay rebates at its own expense on houses built under the new agreement. No subsidy was given to the Commission for this purpose, so the cost of rebates had to be covered by the other operations of the Commission, including the rents of other tenants.

The terms of the 1956 Agreement were substantially continued in the next agreement of 1961, which covered a

further five years. Of the total funds made available to the States for housing purposes, 30% was to be diverted to the Co-operative Building Societies throughout the period of the agreement.

Victorian State Housing Policy Since 1956

Decline in Annual Production

The number of dwellings completed each year by the Commission has declined since 1955-6 from 4,152 in that year to 2,022 in 1962-3. This decline is a direct reflection of its reduced loan funds and the increased costs of building. There has been an even more marked decline in the proportion formed by Housing Commission construction of all dwellings completed in the States. In 1954-5, the Commission built about one in six of all dwellings completed, whereas by 1961-2 the proportion had fallen to about one in ten. Taking houses only, (excluding flats), the proportion was one in seventeen by 1962-3 (17). The increasing contribution of the Commission to the housing of elderly people (over 300 such units were built in 1962-3) means an even greater reduction in its contribution to the housing of families.

Increase in Sales

Since 1956, there has been increasing emphasis on the promotion of home-ownership, both at the Commonwealth and Victorian State level. It has been stated frequently by government spokesmen in the Federal Parliament that "home ownership is the policy of Australia", and some have claimed also that "home ownership is within the reach of every young Australian" (18). This policy is consistent with the diversion of a proportion of Commonwealth-State housing loans to the co-operative building societies

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at the expense of the State housing authorities, and with the steps taken to make the sale of State housing authority houses easier.

The Victorian Housing Commission has sold an increasing proportion of both its new construction and its total stock of dwellings over the years 1956 - 1963. During 1957-8, the Commission offered tenants of two years' standing occupying houses erected under the 1956 Agreement the opportunity to purchase their houses on a minimum deposit of £100. The following year this opportunity was extended to new applicants who were eligible for tenancy. In this year the target of 2,500 sales was exceeded, and there was already a waiting list for purchase (19). At this time the expressed policy of the Commission was to sell 50% of its newly constructed dwellings, though it was admitted that this would alter the priority of waiting applicants in favour of prospective purchasers. The proportion of new dwellings sold has since increased beyond this 50% minimum.*

With the sale of both new and existing houses, an increasing proportion of the total number of houses constructed by the Commission is being sold. In June 1961 the proportion of all houses sold was 32.4%. By June 1962 it was 38% (this refers to houses only, the proportion of all dwellings is lower because flats are not sold). By June 1962, some 16,000 houses had been sold out of the total of about 48,000 units constructed by the Commission. (20).

The crucial point here is that the great majority of

* An exact figure is not obtainable because in figures of sales new houses are not separated from existing ones.

houses sold are allocated to new applicants, not bought by existing tenants. In 1961-2, sales to tenants of at least two months standing, number 384 compared with 1,764 to new applicants. In 1962-3 the corresponding figures were 465 compared with 1,425. (21).

The justification for selling Commission houses is that low deposits and easy terms are offered which are not available from other sources of finance for home building and purchase. It is true that the majority of Commission sales are negotiated on lower deposits than are available through other channels of finance, as this table shows:

Deposits on which Housing Commission Houses Sold (22)

	<u>1960-1</u>	<u>1961-2</u>	<u>1962-3</u>
(A) £100	192	143	129
(B) £101-200	1172	913	919
(C) £201-300	748	564	417
(D) £301-500	501	531	194
(E) £501 or more	160	103	74

Over the past three years the very great majority of Commission sales have been on deposits of less than £500, and around half (more in 1962-3) on less than £200 deposit. However, this does not mean that any family which manages to save £100 is able to buy a house. Each applicant is assessed as to the weekly commitments which he would be able to manage, and since low deposits mean higher weekly payments, the low income applicant may have to save a higher deposit. This is particularly likely in the metropolitan area where land costs make total purchase prices higher than in country areas. In addition to the deposit, legal costs must be met by the purchasers.

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However, it is still true that the great majority of applicants to the Housing Commission wish to rent, not purchase, and so the present ratio of sale to rental gives preference to those who are able to find sufficient cash to pay a deposit, while those who can only hope to rent are penalised.

Exact up-to-date figures for respective demand for rental and sale are not available, because they are not separated in Housing Commission records. This in itself reflects an unrealistic attitude. In replying to a Parliamentary question on this point, the Minister for Housing said, "The Commission regards all applicants for accommodation as potential purchasers", (23) a statement which is, in the light of this study and other evidence, quite unrealistic even if deposits of £100 are offered. In 1959, the Minister for Housing stated that only 1500 out of 17,500 applicants had expressed willingness to purchase, (24) and there is no reason to think that this situation has been reversed. Indeed, figures collected by the Commission on the income of applicants in 1961 indicated that only 22.7% of applicants had incomes of over £20 per week, * which gives strong support to the claim that only a small proportion of applicants are in a position to purchase when this involves an initial deposit of at least £100 and higher weekly commitments.

A similar emphasis on house sales is to be seen in other States also. In New South Wales approximately one-third of all the permanent dwellings completed by the

* The figures resulting from the Commission's own survey of applicants in 1961 were as follows: £10 and less weekly - 4.8%; £11-15-0 - 5.3%; £16 - £20 - 68.0%; £21 - £25 - 20.0%; £26.- £30 - 2.7%.

Housing Commission since 1945 had been sold by June 1962, although the income distribution of applicants to the Commission shows that 60.2% of applicants in 1961-2 had incomes of less than £20 a week and 86.4% less than £25 a week (25). Purchase can be arranged on a deposit of £50. In South Australia established policy has been to sell 50 - 60% of all houses built, and by 1963 a new "rental - purchase" scheme on minimum deposits of £50 was being put into operation, which was expected "in a very large measure (to) be a substitute for the present rental scheme" (26). This change was made despite the comments of the Trust only one year earlier that "rental houses are urgently needed. The requirements of a large proportion of the families with low incomes cannot be met by even the most generous of house-purchasing schemes, and privately-owned accommodation is becoming increasingly difficult to obtain at rents within the means of the lower-paid workers". (27). In Queensland the total proportion of houses sold was 58.5% by mid-1962. (28)

Reduction in Number of Commission Houses to Rent

As a result of fewer completed dwellings and more sales, there has been a drastic reduction in the number of dwellings available for rental from the Victorian Housing Commission. The number of new tenancies has declined each year since 1957-8, when the number of new tenancies was 4,377 to 2,775 in 1962-3. The number of new tenancies each year now depends to a considerable degree on vacancies in existing dwellings. The exact ratio of new dwellings to re-let vacancies is not known since for the last few years the Commission has ceased to give these figures in Annual Reports. Though there is reason to believe that the majority of applicants on the waiting list at June 1963 wish to rent, the total stock of Commission dwellings to rent

is decreasing rather than increasing. The number of Commission dwellings occupied by tenants was 32,359 in 1963 compared with 32,663 in 1960. (29). During the period between 1954 and 1961, the proportion of tenanted government dwellings fell from 4.5% to 3.6% of the private dwellings in the State. For flats, the proportion rose from 4.0% to 7.7%; the decline was in houses - from 4.9% to 3.4% (30).

As some older houses are sold while new flats for rental are being built, an increasingly high proportion of the rental dwellings are flats. The number of houses sold each year has risen well above the figures for new houses constructed. In 1960-1, 1710 were built and 2728 sold. In 1961-2, 1903 were built and 2148 sold, and in 1962-3, 1114 were built and 1803 sold. (31). The situation for families who want houses rather than flats is worse in the metropolitan area than the country, since most flat building has been in the city area and it is here that multi-storey blocks are now being developed as part of the slum clearance program. In 1959-60, flats formed 43% of all dwellings completed by the Commission in the metropolitan area, and by 1961-2 the proportion had risen to 54.3% and in 1962-3 to 76.6%. (32). An increasing proportion of flats built are three-bedroom units meant for families with children. Villa houses are being built only in the outer suburban estates and in smaller numbers. Flats in blocks of three or four storeys are let to families with young children, though the evidence of this study and the experience of others suggests that some families do not see this as an acceptable solution to their housing difficulties.

After the Housing Minister and some of the Commission's officers studied overseas developments, the Commission

recently began to include in its program multi-storey blocks on cleared inner areas. Approximately 400 units in multi-storey blocks were included in the 1961-2 building program, and the annual completions of flats seems likely to rise to 1000 or so with several more multi-storey blocks planned for commencement soon. It was announced in December 1963 that 1804 new flats, in blocks of eight to twenty storeys, were planned for Flemington, Carlton and North Melbourne. These flats are not generally available to families with children under nine years, and so further reduce the numbers of new dwellings available for rental to families with young children. For a time rebates were not available to tenants though rents ranged up to £ 6-10-0 per week. However, partial averaging of rents has reduced this figure and the availability of rebates is being extended to the flats.

The effect of these trends is that families wishing to rent rather than buy a Housing Commission dwelling in the metropolitan area face not only an increasing waiting list and decreasing numbers of new tenancies available, but also the added discouragement of the likelihood of being offered only a flat when their turn eventually comes.

Another development affecting the availability of Housing Commission dwellings to rent is the increasing emphasis of the Commission on slum clearance. Families displaced by clearance are rightly offered accommodation, but this means a further reduction in the number of rental dwellings available for families on the waiting list.

City and Country applications

The prospects of country applicants are a little better, not because the program of new building is significantly

higher in relation to demand, but because there is a higher rate of vacancies in existing dwellings. Over the past few years there has been a higher number of new tenancies in relation to applications for the country compared with the metropolitan area. Though numbers of country applicants are now rising in relation to metropolitan figures, 3111 compared with 9902 at June 1963 *, the waiting list is still much shorter for country applicants. In 1960-1, the number of new tenancies for the metropolitan area was 1105 and for the country 1987; for 1961-62 the corresponding figures were 1156 and 1609 and for 1962-3 they were 1281 metropolitan compared with 1561 country (33). Moreover, because the number of flats built in areas classified as "country" has been low (and generally confined to elderly people's dwellings), country applicants can reasonably hope that eventually they will get a house.

Policy for allocation

Since the supply of Commission dwellings is so small in relation to demand, both for rental and for purchase, the policy for allocating available dwellings is all the more important. The main basis for allocation of both rental and purchase dwellings is still length of time on the waiting list, with priority consideration of urgent or exceptionally needy cases being a matter for discretion. Such a situation fails to provide a consistent procedure for assessing the relative need of many competitors for Commission dwellings, as

* In 1960-1 the number of metropolitan applicants was a little higher than the number of country applicants; in 1961-2 and 1962-3, the numbers of country applicants were higher. One of the reasons may be the greater optimism of prospective applicants in the country, because of the more favourable prospects of country applicants over the past few years.

well as leading to suspicion and resentment on the part of unsuccessful applicants who may see others being given special consideration without knowing its basis. The present upper income limits of £ 25 per week for rental and £ 30 per week for purchase are not satisfactory. Large families on such incomes may need the assistance of the Housing Commission; but some families within these income limits, those with only one or two children, would quite likely be able to arrange accommodation through other channels, particularly housing co-operatives which have been getting Commonwealth assistance through loan money diverted from State housing authorities.

It was recommended by the Commonwealth Housing Commission of 1943 that allocation of dwellings should be made on the basis of a priority points system which would weigh up and score the various aspects of family need, including family size, unsatisfactory housing conditions, high rent and low income. Such a system would allow income to be related to family size. This recommendation was repeated recently by representatives of the Housing Commission who studied overseas housing programs (34). The recommendation has never been accepted by the Government. The need for a priority points system is as great now as it has ever been, and since there is a waiting list for purchase as well as rental, some system of priority points should be applied to purchase also. There should be preference for those families whose savings are less than £ 500, and whose income would not allow them to save more than this within a reasonable period, so that they have little hope of obtaining housing finance through any other channel.

Rise in Rents

Another obstacle to the Housing Commission's fulfilment of its original function of providing housing for low income groups has been the rise in economic rents beyond the level which low income families could afford. The Commission has expressed concern about this problem over many years, as the average rentals for new family houses rose to £3-0-0 in 1956, £4-10-0 in 1958, £5-0-0 in 1959, then finally between £5-4-0 and £6-5-0 in 1961-2, and as high as £6-10-0 in 1961-2. (35).

The original 1945 Commonwealth-State Agreement allowed for averaging of rents, and the 1956 Victorian Royal Commission enquiring into the Housing Commission (36) urged a much greater use of this power. Up to that time, averaging had been carried out only to the extent of adjustments of a few shillings within particular estates, not on a broad scale to reduce the high rents of recently constructed dwellings by raising the rents of older houses which had cost less. The 1956 enquiry suggested that rents for various houses should vary only with the number of rooms. This adjustment was considered to be urgent because of the "head-long rise" in rents which were becoming beyond tenants' ability to pay. In 1963 a partial averaging was carried out so as to reduce maximum rentals, but only a small minority of dwellings was affected (9,464 out of the total number of 31,795). Only 1292 tenancies obtained a decrease in rent, and there continued to be a considerable range in rentals for three-bedroom units (from £3-6-0 to £5-1-0 weekly in the country and from £3-10-0 to £5-5-0 weekly in the metropolitan area). (37). The possible benefits of averaging are reduced as the number of unsold earlier and cheaper houses

declines; at September 1963 over a quarter of houses built before 1956 had been sold. (38).

Rent rebates

A system of rental rebates has existed throughout the history of the Victorian Housing Commission, and the cost of rebates has risen with the rise in rents from £68,747 to £325,494 over 1955-63. The numbers of tenants receiving rebates has also risen, both in absolute numbers and in relation to the rise in total tenancies. The system used has certain defects which have never been corrected despite official recommendations in the early Victorian and Commonwealth reports already mentioned, and more recently in the 1956 Victorian Royal Commission. The most serious defect is that rents are adjusted only to family income without any consideration of the number of children in the family. Consideration of the number of dependents was urged by the 1956 Victorian enquiry with the comment that "the effect of the whole weight of evidence is that there comes a time when the relation of the number of children to the family income produces a position in which the tenant cannot reasonably be expected to pay an economic rent" (39). The 1956 report criticized other procedures involved in the rebate system, such as delays in assessing changes in income and in granting rebates to recipients of various social services. The experience of some applicants suggests also that the likelihood of requiring a rebate may sometimes be a hindrance in obtaining a Commission dwelling. If this is so, then such a policy constitutes a repudiation of the original purposes of the Commission.

It must be remembered that while rent rebates now cost over £300,000 per year, this cost is covered by other

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operations of the Housing Commission, partly through rentals paid by other tenants, and partly through profit on house sales. On all its operations the Housing Commission now makes a net profit, which amounted to £500,492 in 1960-61, and £427,502 in 1961-2. At 30th June 1963, the accumulated surplus account of the Commission stood at £1,582,899, the profits for the previous year being £640,861.* (40).

* Part of this sum is provision against future interest charges.

Conclusions :

It is clear that families living on an income of £20 per week or less, especially those with more than one or two children, have almost no hope of finding suitable accommodation on the current housing market at a price which they can afford, either through purchase or rental. The "vulnerable group" of families living on this income numbers in Victoria somewhere in the region of 55,000 families living on earnings of less than £1000 per year, plus some thousands of families dependent on social service benefits. The only hope of large numbers of these families for decent accommodation at a reasonable price is through government housing schemes.

In relation to this likely need, and to its actual waiting list of 13,000 families, the number of dwellings being built each year by the Victorian Housing Commission (2022 in 1962-3) is hopelessly inadequate. Since the majority of applicants wish to rent, not purchase, this inadequacy is most serious in relation to dwellings for rental. Over the past few years the annual number of tenancies, including vacated premises, has numbered only 2000-3000, including an increasing proportion of flats and an increasing number of multi-storey blocks not suitable for families with young children.

Recommendations :

1. Increased Rate of Building. To make any impression on the existing unmet need for low-priced housing, the Victorian Housing Commission must increase greatly its annual building program. The only possible source of increased funds is the Commonwealth. At present the Commission receives approximately £9½ million annually in loan money from the Commonwealth. This should be increased at least to £12 million annually, the amount received as long ago as 1953-4.

2. Lower Interest Rates. Commonwealth loans for housing should be made at lower interest rates, to counteract the rise in economic rents of State housing authority dwellings. Since a great part of Commonwealth money used for capital works and loans comes originally from general revenue, even a reduced interest rate represents a profit for the Commonwealth. This form of subsidy is all the more important and justifiable now that the Commonwealth has repudiated continued responsibility for sharing the cost of rental rebates. Housing for low income families must be seen as a preventive social service which justifies Commonwealth subsidy.

3. Grants for Slum Clearance. There is urgent need for specific Commonwealth grants towards the cost of appropriating and clearing land for slum clearance. It has been estimated that there are approximately one thousand acres of run-down and slum housing areas in the inner suburbs of Melbourne, and that some 40 to 50 thousand people live in these areas. At present the Victorian Housing Commission is able to clear only 15 acres of slums a year. Its total annual resources for slum clearance amount to £750,000, including a subsidy of £500,000 from the State government. If any significant progress is to be made in clearing these slum areas in a reasonable time, Commonwealth assistance is essential. Commonwealth aid should be given at least on a two pound for one pound basis matching State subsidies.

4. More Houses for Rental. Since there is particularly acute need for an increase in rental dwellings at reasonable rentals, a higher proportion of Commission dwellings should be allocated to applicants for rental. The proportions of dwellings rented and sold should be consistent

with the demand for each, so that applicants who can only rent are not placed at a disadvantage. Dwellings for rental should include houses as well as flats. The Commission should set some minimum figure for the pool of housing which it will retain for rental; otherwise continued sale of older houses and increased building of flats will progressively reduce opportunities for rental of houses.

5. Allocation for Purchase. The principle of allocation according to need should be applied to sale as well as rental. Allocation of houses for sale should be based on an assessment of the financial situation of applicants, considering both income and savings in relation to number of dependents, so that as far as possible Commission houses are made available only to prospective purchasers, who have no reasonable expectation of being able to buy through other channels of housing finance.

6. Allocation for Rental. Since the supply of Commission dwellings for rental will continue for some time at least to be inadequate in relation to need, what is available should be allocated by a much more equitable system based on priority points, allowing for such factors as family size, income and existing housing difficulties, so that families in greatest need are accommodated first. To assist applicants to make realistic future plans, they should be given as accurate as possible an indication of their place on the priority list. Families permanently dependent on social service benefits, such as those on invalid pensions or widows' pensions - who are in a particularly vulnerable position in relation to housing costs - should be accepted as having a right to Housing Commission accommodation if necessary. (This policy has been accepted by at least one other State housing authority, the South Australian Housing Trust.)

108. CONCLUSIONS AND RECOMMENDATIONS

7. Upper Income Limit on Tenants. There should be an upper income limit for continued tenancy of a Commission dwelling, to maintain the principle that the Commission's function is to provide accommodation for those who are not financially able to find it on the open market. There are some Commission tenants who, since being allocated dwellings, have reached a financial position where they would be able to provide housing for themselves. Such tenants should be given adequate time to make their own arrangements - perhaps notice of a year or more. Even if only 5% of the Commission's present rental dwellings were vacated as a result of this policy, that would mean 1600 dwellings available to those in greatest need.

8. Averaging of Rents. The rise in economic rents of Commission dwellings must be halted if the Commission is to provide for those who need its help, without increasing the burden on other tenants and purchasers. As suggested, lower interest rates on Commonwealth loans would allow a significant reduction in rents. A more comprehensive averaging of rents over houses built at different times would result in a further reduction in the rents of recently built and most expensive dwellings.

9. Amendments to Rent Rebate System. There must be a continuation of a rental rebate scheme, based on a more comprehensive process of assessment than the present one, particularly in relating rent to number of dependent children as well as family income. Rebates should be covered by an explicit grant from State government funds, so that this cost is accepted as a community responsibility and does not have to be covered by other Commission tenants and purchasers.

10. Popularise the Rental Investigation Bureau.

If the supply of rental dwellings from the Commission increases, the opportunities for exorbitant private rentals will decrease.

Meanwhile, public education in the use of the Rental Investigation Bureau would reduce the frequency of unfair charges for accommodation. It must be remembered that the Victorian Housing Commission is concerned with only one sector of housing, and a comprehensive government housing policy should consider private, as well as State housing.

11. Assistance to Private Tenants on Pensions.

Current social service benefits are not calculated on market prices for privately owned accommodation. In practice, a family living in privately rented accommodation, if dependent on benefits for even a short period, is often faced with a choice of trying to pay rent at the expense of other necessities, or buying other necessities instead, and so risking eviction. While this situation exists, some rent allowance should be added to benefits by the State upon proof of need. An overseas precedent can be seen in the payment of rent allowances by the National Assistance Board in England. A Victorian precedent exists in the State assistance scheme set up under the Crown Law Department for old-age pensioners whose rents were increased by a determination of the Fair Rents Board.

12. Housing Research.

The recent decision of the Commonwealth Government to establish a Federal housing department under a Cabinet Minister, along the lines recommended as long ago as 1944 by the Joint Committee on Social Security, is a welcome move. One of the functions of the new authority should be the collection of data and the sponsorship of research necessary for accurate assessment of housing need and demand.

13. Housing Advisory Service. At the local level, there is a need for a housing advisory service, independent of any particular source of housing or housing finance, from which any individual could obtain advice concerning alternative courses of seeking accommodation open to him and information necessary to safeguard his interests. There is no such disinterested source of advice at present, and the results can be costly in terms of unwise action or missed opportunity.

14. Emergency Housing. Serious thought should be given to the possibility of setting up some form of emergency housing in which families could stay for a few days, or weeks while searching for alternative accommodation. Such a facility should reduce the number of children placed temporarily in institutions when the family loses its accommodation, and might well also reduce the frequency of unrealistic rent commitments undertaken by parents in a state of panic because they feel they must have a roof over their heads. It might be difficult for the Housing Commission to undertake such a service. Another way of providing it would be for a private organisation to be subsidized to provide small supervised emergency accommodation, with the services of trained social workers available. Considering the costs - both financial and personal - of placement of children in institutions, such a measure deserves serious consideration.

I INTRODUCTION

- (a) The Study.
- (b) The Vulnerable Group.
 1. Information obtained from the Commonwealth Bureau of Census & Statistics, Canberra.
 2. Survey of Weekly Earnings, October 1961, Commonwealth Bureau of Census & Statistics, Canberra.
 3. Ibid.
 4. Wage Rates & Earnings, June 1963, Commonwealth Bureau of Census & Statistics, Canberra.
 5. Ibid.
 6. Commonwealth of Australia, Annual Report of the Director-General of Social Services 1962-63.
 7. Ibid.

II THE PRESENT HOUSING SITUATION AS IT AFFECTS FAMILIES ON AN INCOME OF £20 OR LESS PER WEEK

1. "An Analysis of Housing Finance in Victoria 1946 - 1961: Growth of the Deposit Gap". Prepared by John and Esta Handfield (Public Relations) Pty. Ltd. for Building Industry Committee for Long Term Low-Deposit Housing Finance.
See also: R. T. Appleyard, "Low Cost Housing and the Migrant Population" published by the Committee for Economic Development of Australia 1963.
2. Up to mid-September 1963 the total number of second mortgage loans which had been made was 215 (total amount £87,835), Victorian Hansard 17 September 1963.
3. The sale of Housing Commission houses is discussed further in Part IV of this report.
4. See table Appendix A, P. 114.
5. Victorian Demographic Statistics 1961, Commonwealth Bureau of Census and Statistics, Victorian Office.
6. See table Appendix A, P. 114.
7. Alderson S., Britain in the Sixties: Housing, Penguin 1962, Chap. 4.
8. 1961 Census Bulletin No. 22, Table 18, Commonwealth Bureau of Census and Statistics, Canberra.
9. See Appendix B for details of procedure by which accommodation was rated.
10. Victorian Hansard 11 September 1963, P. 176.

III THE EFFECTS ON FAMILY WELL-BEING

1. This group consisted of all families whose applications were heard during April and May, 1963, where sufficient information was available (206 cases)

IV COMMONWEALTH AND VICTORIAN STATE HOUSING POLICY

1. Housing Investigation & Slum Abolition Board Report, 1937 P.61 - 2.
2. 1938 Slum Reclamation & Housing Act Part IV.
3. Victorian Parliamentary Debates 1938 P.1687 See also P.1354.
4. Victorian Parliamentary Debates 1938, P.1503.
5. Ibid. P.1686.
6. Ibid. P.1088.
7. Victorian Housing Commission Annual Report 1938-39. P.4.
8. Commonwealth Parliament Joint Committee on Social Security, Fourth Interim Report, Housing in Australia 1942. See especially P.4 - 6.
9. Commonwealth Housing Commission Final Report, Para 353.
10. Ibid. Para 466 ff.
11. Ibid. Para 495.
12. Victorian Housing Commission Report 1944-46 P.5.
13. Victorian Housing Commission Report 1946-7. P.5.
14. Report of the Auditor General 1949 and Victorian Parliamentary Debates, 1946-7. P.2313.
15. See figures Appendix A, P.118.
16. Victorian Parliamentary Debates 1955. P.815.
17. These calculations are based on tables Appendix A, P.116.
18. Commonwealth Hansard, 24 Sept. 1963 P.1286.
19. See Victorian Housing Commission Annual Reports 1957-8, 1958-9.
20. See Victorian Housing Commission Annual Reports 1960-1, 1961-2. Also Victorian Housing Commission Building Statistics Statement at 31.7.1962, P.3.

Total Sales to September 1963: from Victorian Hansard	<u>Agreement</u>	<u>Units Built</u>	<u>Sold</u>
11 Sept 1963 P.176	1945	30,925	8,213
	1956	12,317	6,553
	1961	4,422	1,460

21. Victorian Hansard 11 Sept 1963 P.176.
22. Ibid. P.176.
23. Ibid. P.176.
24. Victorian Hansard 26 March 1960.

25. New South Wales Housing Commission Annual Report 1961-2. P. 9, P.20.
26. South Australian Housing Trust Annual Report 1961-2, P.6.
27. South Australian Housing Trust Annual Report 1960-1, P.3.
28. Queensland Housing Commission Annual Report 1961-2.
29. Victorian Hansard, 11 September 1963, P.175.
30. Census June 1961, Bulletin No.17, Summary of Dwellings for Victoria, Table "Occupied Private Dwellings classified according to nature of occupancy by class of dwellings..."
31. Calculated from Victorian Housing Commission Annual Reports.
32. Victorian Housing Commission Annual Reports.
33. Ibid.
34. Report on Some Aspects of Housing Overseas, by J. P. Gaskin and R. Burkitt for Victorian Housing Commission 1958.
35. Victorian Hansard 11 September 1963, P.176.
36. Report of the Royal Commission to enquire into the operation of the Housing Acts of Victoria and the Administration of the Housing Commission 1956.
37. Victorian Hansard, 13 November 1963. P.2008.
38. Victorian Hansard, 11 September 1963. P.176.
39. Report of the Royal Commission to enquire into the operation of the Housing Acts of Victoria and the Administrative operation of the Housing Commission 1956. P.57.
40. Victorian Housing Commission, Annual Reports 1960-61, 1961-2, 62-3. Financial Statements.

APPENDIX A
 VICTORIA: OCCUPIED PRIVATE DWELLINGS CLASSIFIED ACCORDING TO NATURE OF OCCUPANCY
BY CLASS OF DWELLING, AND SHOWING URBAN AND RURAL DISTRIBUTION.

Nature of Occupancy	Class of Dwelling		Census 30th June, 1954.		Total Occupied Private Dwellings	Division of State			Total Victoria
	Private House (a)	Share of Private House	Flat (b)	Other (c)		Metropolitan Urban	Other Urban	Rural	
	Owner or Purchaser by								
Instalments	400,628	11,480	4,435	936	417,479	260,352	78,664	78,463	417,479
% of Total	70.0	33.6	15.8	5.9	64.2	62.6	64.7	69.2	64.2
Tenant (Governmental Housing)	28,320	108	1,122	39	29,589	14,723	10,166	4,700	29,589
% of Total	4.9	0.3	4.0	0.2	4.5	3.5	8.4	4.1	4.5
Tenant	129,357	21,805	22,144	14,682	187,988	135,463	30,070	22,455	187,988
% of Total	22.6	63.9	78.7	91.4	28.9	32.6	24.7	19.8	28.9
Other and Not Stated	14,216	747	447	407	15,817	5,451	2,657	7,709	15,817
	2.5	2.2	1.6	2.6	2.4	1.3	2.2	6.8	2.4
Total	572,521	34,140	28,148	16,064	650,873	415,989	121,557	113,327	650,873
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<u>Census 30th June, 1961</u>									
Owner or Purchaser by									
Instalments	541,589	11,250	11,350	1,192	565,381	377,077	106,508	81,796	565,381
% of Total	79.1	39.2	21.4	7.6	72.4	72.7	70.6	72.8	72.4
Tenant (Governmental Housing)	23,405	95	4,076	454	28,030	17,342	10,324	364	28,030
% of Total	3.4	0.3	7.7	2.9	3.6	3.3	6.8	0.3	3.6
Tenant	104,487	16,684	36,120	13,699	170,990	117,373	30,964	22,653	170,990
% of Total	15.3	58.0	68.3	87.1	21.9	22.6	20.5	20.2	21.9
Other and Not Stated	14,715	720	1,318	379	17,132	6,684	3,000	7,448	17,132
	2.2	2.6	2.5	2.4	2.2	1.2	2.0	6.7	2.2
Total	684,196	28,749	52,864	15,724	781,533	518,476	150,796	112,261	781,533
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(a) Includes sheds, huts etc. used for dwelling purposes.

(b) A flat is part of a house or other building which can be completely closed off and which has its own cooking and bathing facilities.

(c) Other Private Dwellings; these include private dwellings such as rooms, apartments etc. which are parts of buildings but are not self-contained units.

These figures do not include dwellings occupied solely by full-blooded aboriginals.

Source: Census of the Commonwealth
 30th June, 1961, Census
 Bulletin No. 17, Commonwealth
 Bureau of Census and Statistics.

VICTORIA: TENANTED PRIVATE DWELLINGS (a) CLASSIFIED ACCORDING TO WEEKLY RENT
(UNFURNISHED) BY CLASS OF DWELLING AND SHOWING URBAN AND
RURAL DISTRIBUTION.

Census, 30th June, 1961.

Weekly Rent (Shillings)	Class of Dwelling				Total Tenanted Private Dwellings	Division of State			Total Victoria
	Private House (b)	Share of Private House	Flat	Other		Metropolitan Urban	Other Urban	Rural	
Under 40/-	19,784	920	1,099	428	22,231	9,712	5,536	6,983	22,231
% of Total	18.9	5.5	3.0	3.1	13.0	8.2	18.0	30.8	13.0
40/- and under 60/-	17,094	1,427	1,499	666	20,686	10,261	6,638	3,787	20,686
% of Total	16.3	8.6	4.2	4.9	12.1	8.8	21.4	16.7	12.1
60/- and under 80/-	13,323	1,259	2,492	688	18,362	11,497	5,315	1,550	18,362
% of Total	12.8	11.2	6.8	5.0	10.7	9.8	17.2	6.9	10.7
80/- and under 100	7,206	1,307	2,831	488	11,892	8,874	2,654	514	11,892
% of Total	6.8	7.9	8.0	4.2	7.0	7.5	8.6	2.3	7.0
100/- and over	19,993	2,418	16,791	880	40,082	36,151	5,326	605	40,082
% of Total	19.1	14.5	46.5	6.4	23.4	30.8	10.7	2.7	23.4
Not Stated (c)	27,087	8,753	11,348	10,549	57,737	41,028	7,495	9,214	57,737
% of Total	25.9	52.5	31.4	77.0	33.3	35.0	24.2	40.7	33.8
Total	104,487	16,684	36,120	13,699	170,990	117,373	30,964	22,653	170,990
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(a) These figures do not include Housing Commission tenants.

(b) Includes sheds, huts etc.

(c) Includes tenanted dwellings which were rent-free, those rented on a furnished basis, and those for which the rents were not applicable (e.g. for shop and dwelling combined)

Source: Census of the Commonwealth 30th June, 1961. Census Bulletin No. 17, Commonwealth Bureau of Census & Statistics.

Comparison with 1954 Census Figures

In 1954, the proportion of tenanted private dwellings let at below 40/- weekly rent was 50.1% compared with 13.0% in 1961; the proportion over 100/- weekly was 1.4% in 1954 compared with 23.4% in 1961. Rises have been most marked in the categories of flats and share of private house. In 1954, the proportion of flats let at 100/- or more per week was 5.0%; in 1961 it was 46.5%. The corresponding figures for share of private house were 0.6% in 1954 and 14.5% in 1961. Note that the proportion of cases for which rents were "not stated" (including furnished premises) was over half of share private houses in 1961.

VICTORIA - NEW HOUSES COMPLETED 1954 - 1962 FOR
GOVERNMENT INSTRUMENTALITIES AND PRIVATE
PERSONS (OR FIRMS)

<u>Year</u>	<u>Government</u> <u>Instrumentalities</u>	<u>Private Persons</u> <u>(or Firms)</u>	<u>Total</u>
1954-55	4101	19, 738	23, 839
1955-56	3392	19, 260	22, 652
1956-57	2321	17, 864	20, 185
1957-58	2129	19, 238	21, 367
1958-59	2313	22, 016	24, 329
1959-60	2081	22, 076	24, 157
1960-61	1710	20, 384	22, 094
1961-62	1903	17, 066	18, 969
1962-63	1203	19, 125	20, 328

- Sources: - Victorian Housing and Associated Demographic Statistics, 1921-1960, Commonwealth Bureau of Census & Statistics, Victorian Office.
- Victorian Year Book 1963
- Victorian Building Statistics, September 1962, and September 1963, Commonwealth Bureau of Census and Statistics, Victorian Office.

VICTORIA - NEW FLATS COMPLETED FOR GOVERNMENT
INSTRUMENTALITIES AND PRIVATE PERSONS
(OR FIRMS)

<u>Year</u>	<u>Government</u> <u>Instrumentalities</u>	<u>Private Persons</u> <u>(or Firms)</u>	<u>Total</u>
1954-55	638	143	781
1955-56	1062	211	1273
1956-57	452	445	897
1957-58	482	622	1104
1958-59	372	1062	1434
1959-60	632	1430	2062
1960-61	608	3575	4183
1961-62	620	3450	4070
1962-63	908	2864	3772

- Source - Commonwealth Bureau of Census and Statistics, Victorian Office.

VICTORIAN HOUSING COMMISSION OPERATIONS

Year Ended 30th June :

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>Dwellings Completed</u>										
Metropolitan area	2200	2464	2625	1438	1347	1347	1406	1275	1175	1138
Remainder of State	1390	1496	1527	1142	1067	1213	1201	942	1225	884
Total	<u>3590</u>	<u>3960</u>	<u>4152</u>	<u>2580</u>	<u>2414</u>	<u>2560</u>	<u>2607</u>	<u>2217</u>	<u>2400</u>	<u>2022</u>
<u>Tenancies</u>										
New Tenants:										
Housed in new dwellings				1064	1803	1076	1081			
Housed in vacated dwellings				2083	2574	2778	2300			
Total	<u>n. a.</u>	<u>n. a.</u>	<u>n. a.</u>	<u>3147</u>	<u>4377</u>	<u>3854</u>	<u>3381</u>	<u>1987</u>	<u>2775</u>	<u>2842</u>
<u>Sales</u>	<u>6</u>	<u>-</u>	<u>1205</u>	<u>1798</u>	<u>1597</u>	<u>2576</u>	<u>2717</u>	<u>2728</u>	<u>2148</u>	<u>1803</u>
<u>Applications</u>										
New Applications received	10089	12449	15039	13690	11666	12972	11433	9091	9699	8492
Applications lapsed, withdrawn etc.	<u>n. a.</u>	<u>n. a.</u>	<u>n. a.</u>	<u>5070</u>	<u>10253</u>	<u>7746</u>	<u>4409</u>	<u>7084</u>	<u>6512</u>	<u>4496</u>
Unsatisfied applications at end of year	<u>n. a.</u>	<u>n. a.</u>	<u>n. a.</u>	<u>16957</u>	<u>13349</u>	<u>15531</u>	<u>17233</u>	<u>14424</u>	<u>13147</u>	<u>13013</u>

Sources: Victorian Housing and Associated Demographic Statistics, 1921 to 1960. Commonwealth Bureau of Census and Statistics, Victorian Office, P. 41 Table, 30.
Housing Commission of Victoria, Annual Reports 1960 - 61, 1961 - 62.

<u>Proportion of Dwellings Sold</u>	<u>Total Units Built (houses and flats)</u>	<u>Units Sold (houses)</u>	
1945 Agreement	30925	8, 213	Source : Victorian Hansard, 11 September, 1963.
1956 Agreement	12317	6, 553	
1961 Agreement	4422	1, 469	

The Annual Report of the Victorian Housing Commission for 1961-62 stated that up to 30. 6. 62, 38% of all houses built or 32% of the total number of houses and flats constructed had been sold. This proportion has increased over recent years (in June 1961 these proportions were 32. 4% and 28. 5%) and the policy of the Commission is to encourage it to rise, thus reducing further the pool of rental housing.

RENT REBATES

<u>Victorian Housing Commission - Cost of Rental Rebates.</u>	<u>Number of Tenants in Receipt of Rental Rebates.</u>	<u>Total Number of Tenancies</u>
1951-2	19,424	3,022
1952-3	44,416	11,590
1953-4	60,638	27,951
1954-5	68,747	32,663
1955-6	112,196	31,883
1956-7	156,856	32,096
1957-8	208,906	32,359
1958-9	232,272	
1959-60	240,350	
1960-1	251,112	
1961-2	316,941	
1962-3	325,494	

Sources: Victorian Housing Commission Annual Reports
Report of the Royal Commission to enquire into the operation
of the Housing Acts of Victoria and the Administration of the
Housing Commission of Victoria 1956. P.43

Victorian Hansard 11 September, 1963. P.176

4. Consider any medical or other special reasons why accommodation may not be satisfactory."

It is apparent from the directions that considerable discretion was left to the judgement of the social workers assessing potential cases for the study in deciding whether or not their accommodation was satisfactory. Attempts were made to provide more objective criteria to guide this selection, but they proved clumsy and complicated and would have added to the extra effort required of the staff co-operating. Moreover, those families interviewed by the research worker were visited at home and so a comparative assessment of all cases included was made by one person.

In practice the two most important categories for selection were 3 and 4, those relating to high rents and poor physical conditions or overcrowding. Few families evicted or about to be evicted were referred. One obvious reason was the difficulty of following up people whose next address was unknown at the time of the interview, and another reason was the omission of some cases which the social workers concerned judged to be primarily personality problems rather than housing problems.

Some of the problems of referral illustrate the difficulty of grafting a study like this one on to the programs of direct service welfare agencies. For instance, relevant cases were missed because the social worker's contact with them occurred at times of crisis or acute anxiety when it was considered inappropriate to introduce the study and request their co-operation. Social workers were sometimes reluctant to request the co-operation of clients whose own requests they were not able to meet because of the dangers of a "bargaining" situation. It was agreed from the beginning of the project that no mention of the study should be

made to clients if it would harm the casework process. There was also the constant conflict of priorities for social work staff who were already trying to handle large case loads.

Other hindrances to comprehensive referrals were related to the nature of the current housing situation. For instance, families who had come to take for granted high rents or overcrowded conditions tended to be overlooked.

Other families known to have housing problems, were not referred because their family income was greater than the specified limit; a number of the social workers co-operating commented on the number of housing problems they met in the income range of £20 to £25 per week. A small number of cases (eight) were included where the family income was over £20 per week; four of these cases represented incomes of between £20 and £22 per week, two received a fluctuating income with a lower level of £20 and in two cases the wives were found to be working to save for a house. These cases are indicated during the report where necessary.

Because of the incompleteness of referrals, it did not prove possible to come to any conclusions about the total client groups of the agencies participating.

Interviewing

Of the main group of families some twenty husbands were interviewed, usually together with their wives. In the remainder of cases, i. e. about three-quarters of cases (one third of which were families without a male head) the wife was seen. Of the small contrast group, six or half of the husbands were interviewed, together with their wives.

As indicated earlier, the interviews took the form generally described as a focussed interview, covering a

number of set topics but in a flexible manner adapted to each situation. The comments of the interviewer, and the order in which the sections of the questionnaire were covered, varied according to the response of the interviewee.

Three-quarters of the interviews were carried out by the research worker, one-quarter by a final year social work student working in very close contact.

Assessment of Standard of Accommodation

Criteria used -

Overcrowded: Basic requirements accepted: separation of children over one year from parents, segregation of children over 10 years by sex, otherwise number of people sleeping one room assessed in view of space available; separate room for living, and indoor and outdoor play space. If facilities shared with other households, assessment made in view of facilities available and number of users.

Amenities considered necessary: cooking facilities, stove, sink and storage space for food; bathing facilities, either bath or shower with some form of heating; washing or laundry facilities, either washing machine or copper with some means of heating.

Rating of satisfactory; moderately unsatisfactory; grossly unsatisfactory: This rating was made by an overall assessment made in consultation between the research worker and the student. The person who had visited the family described the conditions of the accommodation and on the basis of this a joint decision was made. This procedure is not as satisfactory as two independent assessments, but it was some guard against the more obvious manifestations of a particularly sympathetic response on the part of the inter-

viewer. Usually the third category of "grossly unsatisfactory" represents more than one of the specific deficiencies to an acute degree.

Selection of a Contrast Group

It was hoped to include in the study a contrast group of families within the specified income group selected through some other channel than welfare organisations, but this could not be carried out on any considerable scale because of difficulties met within the time available.

The first plan was to select families directly through the level of earnings of the father by co-operation with a number of industrial firms. It was hoped to gain the co-operation of a number of firms situated in various parts of the metropolitan area and to ask each to provide a small number of names selected by some objective procedure from wage records. These people would then be approached by letter, asking if they would be willing to be interviewed. However, it proved very difficult to find firms willing to approve such a procedure. Two firms were willing to compromise by an arrangement whereby members of their own staff asked particular employees whether they would take part in the study. However, both these attempts proved fruitless; in one case because staff found it difficult to locate employees within the specified income limits because overtime work was general at the time. One firm was willing to allow the research worker to select from wage sheets employees within specified earnings limits (the upper limit of £23 gross was substituted for the limit of £20 clear). This selection procedure produced about fifty names of employees within the appropriate income range who were sufficiently young to be likely to have dependent children. Of the fifty employees who were sent a letter

asking for their participation in the study, only thirteen replied, of whom seven were willing to be interviewed. Not all the non-respondents were sent a reminder letter because of information passed on by interviewees that there had been a hostile reaction on the part of some recipients of the first letter. Those employees who did take part were very helpful and interested. Discussion of the project with groups of employees, with opportunity for questions and discussion, probably would have reduced the proportion unwilling to participate. However, the earnings limit involved in selection was an obstacle to such an approach.

A second channel was tried by asking the help of a co-operative housing group, with the idea of studying a number of families who were home purchasers though receiving no more than £20 clear per week. The co-operative housing group supplied a list of twenty-eight members in a number of different outer suburbs. Unfortunately follow-up resulted in only three interviews with families within the specified income limits, and two with families whose income had recently increased beyond these limits. Many of the couples were at the stage when there were as yet no children and the wife was still working; some appeared to be members not yet married. Many were migrants whose names suggested Southern European origin. These factors probably help to explain the number who did not reply to letters sent to them and were out at the interview time suggested.

A number of interviewees offered to ask friends to participate in the study. Two families approached through such secondary contact were included in the contrast group.

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APPENDIX B.

Lack of time prevented further channels being tried to select a larger contrast group and so only very limited use could be made of small group covered.