

BROTHERHOOD OF ST LAURENCE

RESEARCH

FAMILY CENTRE PROJECT

The Housing Battle

67 Brunswick Street, Fitzroy, 3065

THE HOUSING BATTLE

A STUDY OF THE HOUSING DIFFICULTIES OF 60 LOW-INCOME FAMILIES

CAROL RIDE

A Research Project of the Brotherhood of St Laurence

MARCH, 1976

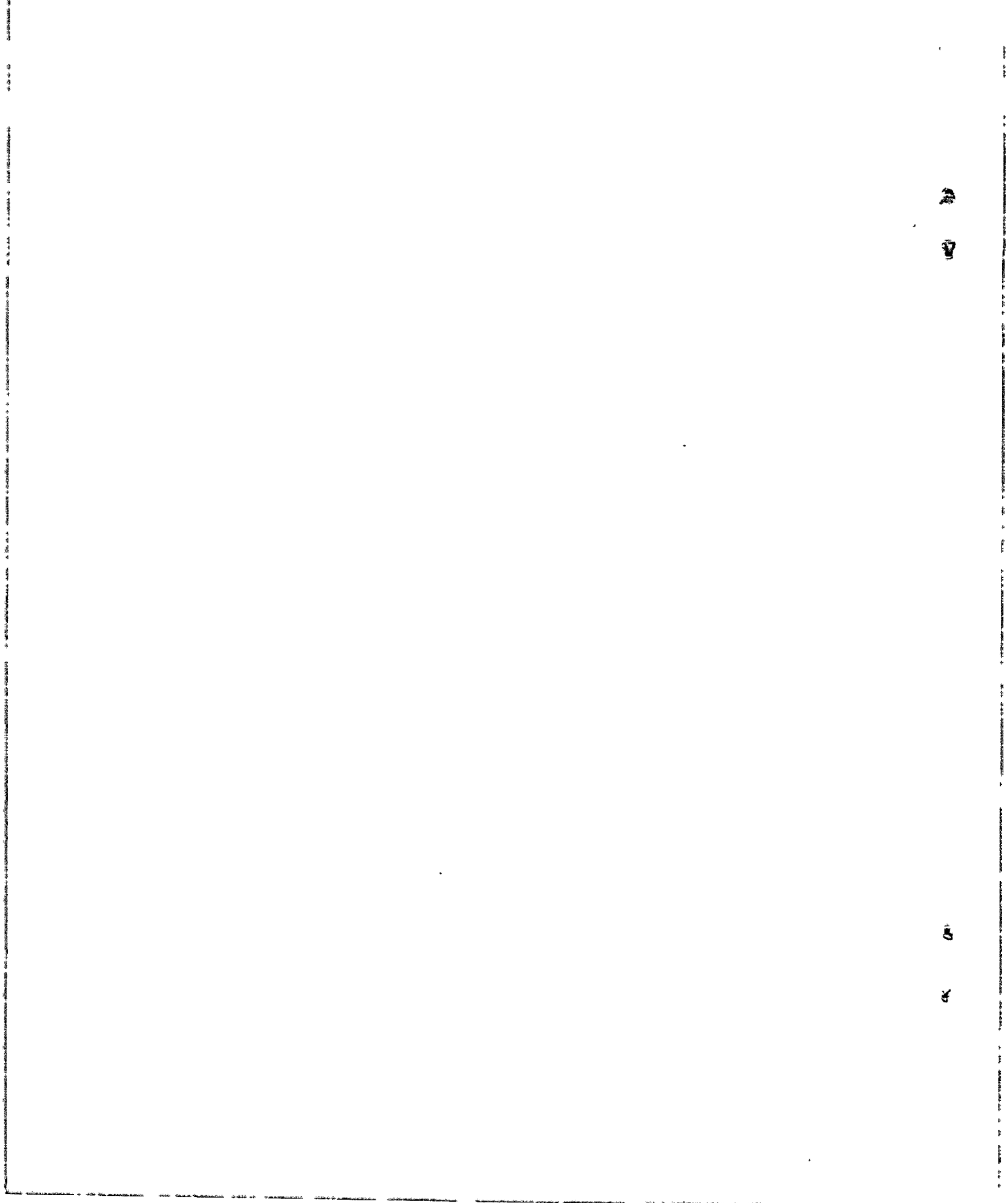
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CAROL RIDE

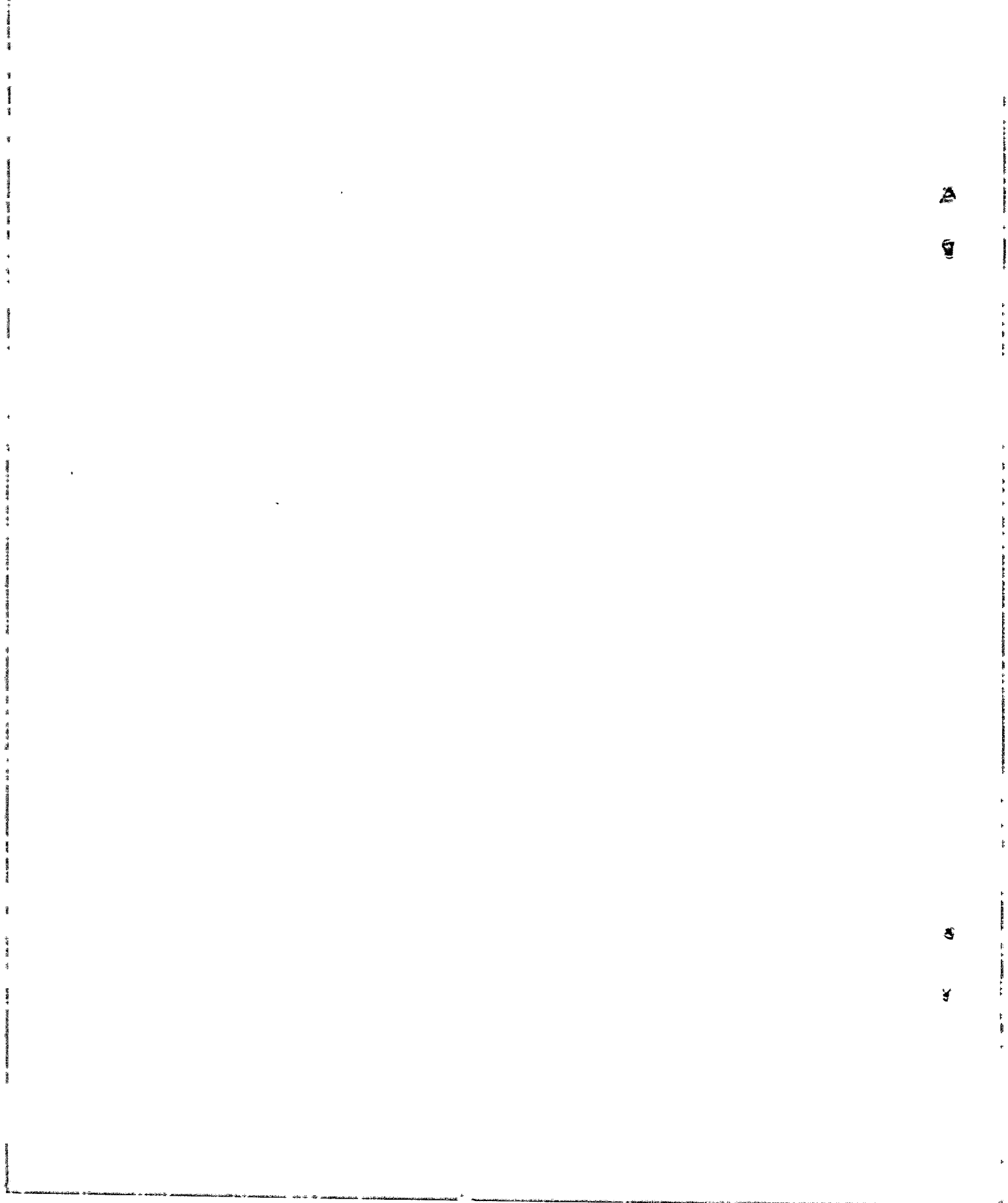
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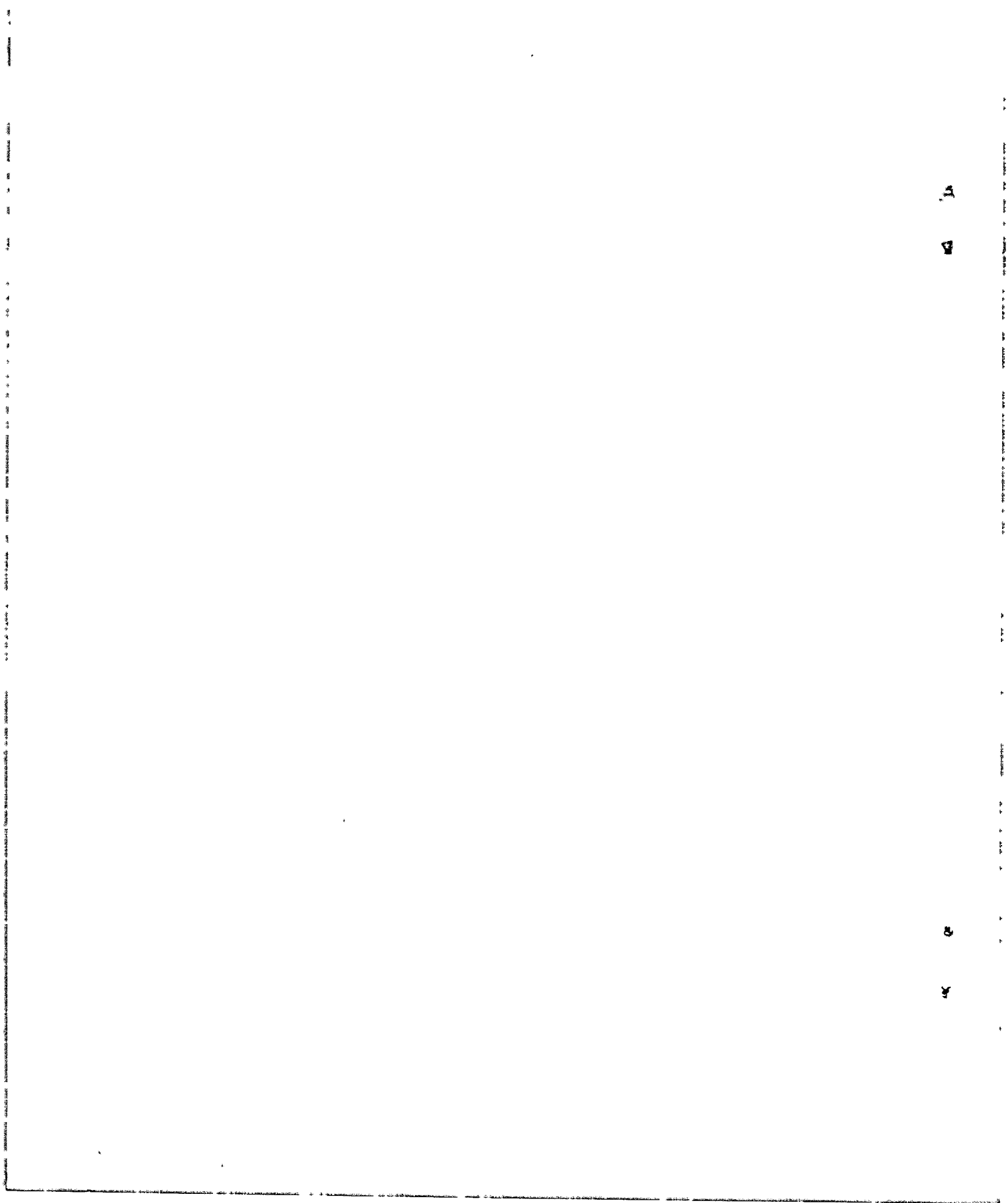
As this report was written in the latter part of 1975, unless otherwise indicated, all references to the Australian Government refer to the Labor Government at that time.



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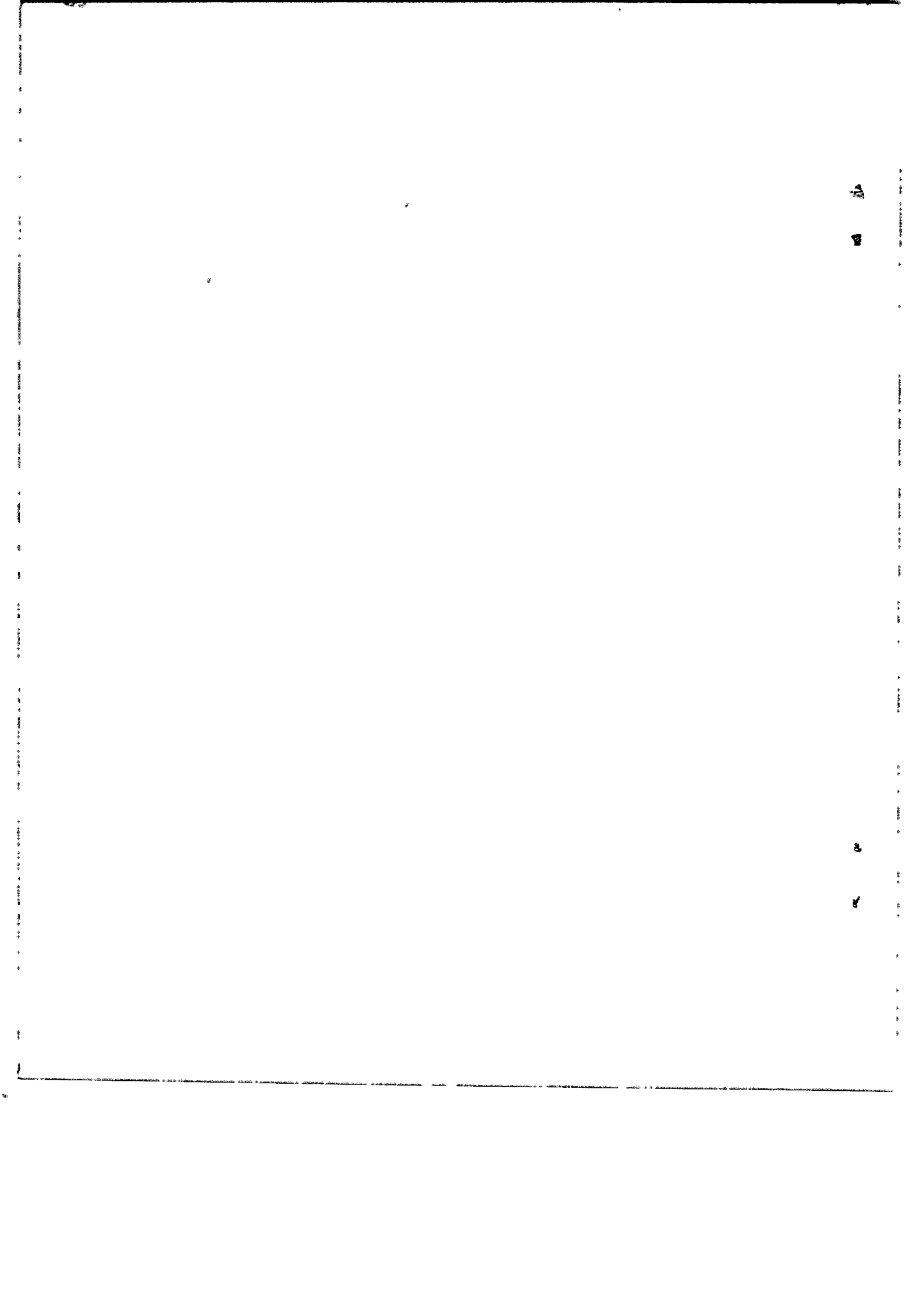
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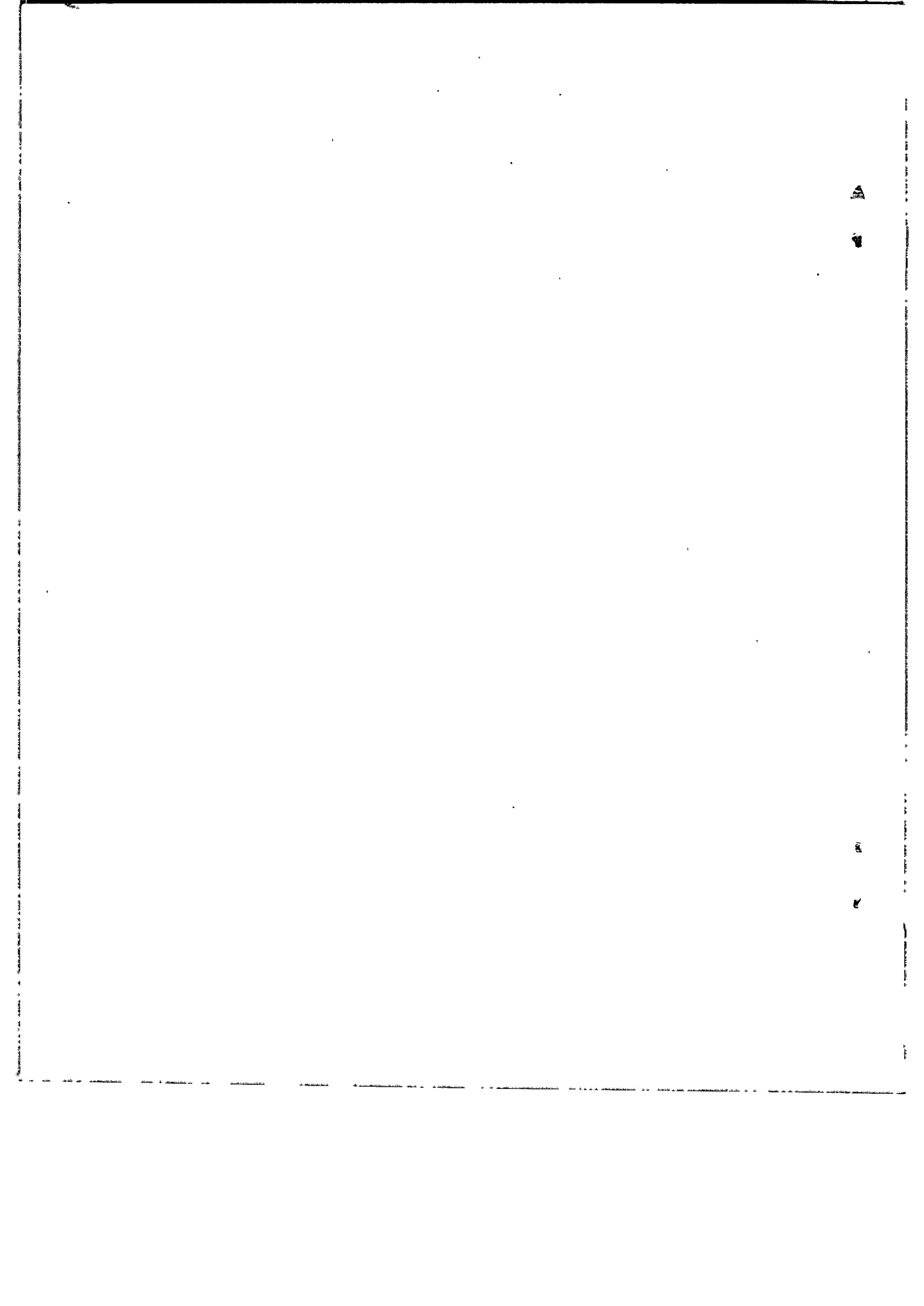
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1. INTRODUCTION

'Housing is quite a battle — you've got to have accommodation with a family; they must have that security. If you are on a low income, you have all sorts of problems to overcome. At times you've even got to learn to lie and cheat a little bit even if it's against your usual type of nature — you don't like being dishonest.

'I find decent housing is very important because children must have security. They must have decent accommodation. We have had to live in a lot of sub-standard houses at various times, not only sub-standard but very unhealthy. One of our children has still a bit of a bronchial chest because when he was a baby he got pneumonia three times and it was all due to the dampness of the house we lived in. They have also on a couple of other occasions picked up odd germs from drains and things that needed attention. We also knew by the same token we couldn't complain much because if we did we would be asked to move because the owners just don't want to do things like that to old houses.

'When you are looking for housing it's also a problem to start off with because if you look as though you are on a low income the agent of the owner takes one look at you and without knowing anything about you he says, "This house wouldn't suit you", or "I'm sorry, it's no longer vacant". And you know that it's still vacant but it's just your appearance that has turned the guy off before he knows anything about you. And you have to learn to lie, maybe on two occasions I had to split my family in half and state that I had only two children. Then the agent for some reason or other came down to the house, maybe to see about repairs or something, one of the children

answered the door and the others were playing around and he asked them their names. They told him their surname as well. So that was the end of that house. It really is a problem too finding the rent. We took one house which took over a quarter of our total income. I needed accommodation desperately so I just had to take it at that rent. There's also a problem of how you spend your money. You've got to decide what you can afford to pay this particular week. Say your husband has got only two days working - you've got to work out whether you can manage to pay the rent or whether you are going to leave the children without food or what you are going to do apart from light and gas bills. I've quite often had to let the rent go for long periods and therefore ended up being evicted because of this problem of not having the money coming in, not even enough to meet the basic needs each week.

'Of course this also has a bad effect on the children. They need the security of knowing that they have got a home, that they're going to stay in the school without being moved on every so often. They get behind in their learning at school. They just get to know the other children, and their teachers' method of teaching and then they're on the move again. And they have no real security and this is very bad because they could never make any lasting friendships. If they are children, and mine are, who find it hard to make friends in the beginning, they're just beginning to get to know the children and we've moved, and they just don't have the opportunity of making friends and keeping them. Also I suppose in the past 20 years we have had to move about 25 times, because we were evicted for non-payment of rent, or because they found out about the extra children I had. A couple of houses were sold, one was demolished, and we just found it very hard to keep on the move all the time but in the last six years we've been living in the one address. Two of the

children at least have been able to stay in the same school. This has been great. They know their teachers, the kiddies, and they're vastly different children to the others.

'The constant battle of all this, with the housing and other things causes you to lose your ideals; it embitters and sours you, you feel that everyone is against you and you end up being against everybody too and just out to try to cheat the system the whole time because there's no other way.'¹

Such a deeply-felt expression of one person's experiences over 25 years highlights the importance housing plays in the quality and dignity of people's lives, and gives impetus to a thorough examination of the way in which social institutions and policies reinforce existent injustices.

This report discusses the experiences of 60 families in seeking housing which satisfied their needs during three years of their lives. It stresses the directions in which housing policy should move to give low-income families access to stable housing of their own choice.

1. This is the script of a talk a member of the Family Centre Project gave on an Access Radio program made by the Tenants Union of Victoria, in June, 1975. It was also the basis of a talk delivered at a seminar on 'Women in Poverty' for International Women's Year, at Prahran College, 1975.

2. THE FAMILY CENTRE PROJECT

The Family Centre Project¹ officially started in November, 1973. The original concept grew out of the previous work of the Brotherhood of St Laurence with poor families and local young people from the Fitzroy area. The concept was a response to the frustration of the Brotherhood workers; they felt their work was superficial and fragmented, and did little to improve family functioning, or to alter the social and economic condition of poor people's lives.

This frustration, together with the growing critique of the methods of social work and youth work in the professional literature, the confusion of goals and mounting Brotherhood research evidence about the dehumanizing and deprived life-styles of poor families, led to a feeling of urgent need to change Brotherhood services for low-income families.

Over a period of a year, a new broad hypothesis was developed, namely that poverty was caused by society and not by the personal qualities of people who were poor. Within the Brotherhood, a ferment of discussion began about how this hypothesis could be tested, and the Family Centre Project was born.

It was decided to test the hypothesis by putting at the disposal of a group of 60 poor families considerable resources, to see whether they were able to change their own lives and perhaps some of the social institutions which repressed them. Resources included a large building, eighteen staff members with a variety of qualifications and skills, an income supple-

1. For a more detailed account of the development of the Family Centre Project, see publications listed in Appendix A.

ment and the facilities to carry out an activities program chosen by the families and geared to improve their social and knowledge skills.

The experiment was designed to run for three years, with a major evaluation at the end of this period which would determine whether the Project should continue for a further three years and which direction it should take in the light of the first three years' experience.² This report is part of that evaluation.

2.1 INCOME SUPPLEMENT

As mentioned already, one of the resources provided for the families was an income supplement scheme.

'It was felt that for the Centre to ignore the basic element of poverty, namely, inadequate income, would prevent the overall success of the program. Considering that most of the families selected to join the Centre had attended the former Social Work Service, and had frequently received financial assistance, it would have been contradictory to assume these families no longer needed financial aid. Furthermore, the guarantee of financial security would free the families from strain and permit them to participate fully in the project.'³

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2. Concetta Benn: *Housing Standards and the Poor*, Housing Seminar, Hobart, October 27, 1975.
 3. Jan Salmon, Brotherhood of St Laurence: *Resources for Poor Families, An Experimental Income Supplement Scheme*, Commission of Inquiry into Poverty, (AGPS, Canberra, 1974), p. 13.

The income supplement scheme consisted of two components. Firstly, the *minimum need subsidy* based on the minimum wage and child endowment which was adjusted for the number of parents, the type of accommodation, the number of children and the work status of the parents.

Secondly, the *rent subsidy* based on the assumption that no family should pay more than a quarter of its income on rent. The subsidy was calculated by subtracting a quarter of the family's minimum need level from the actual rent paid. The deficit, if any, was paid as the rent subsidy.⁴

2.2 MODES OF PRACTICE

During the first three years of the Project, many new and quite different methods of working with poor people were developed.

Each staff member was used as a resource worker which entailed a completely different staff-client relationship — a relationship which was slowly and painfully developed in the Project. From the beginning, it was obvious that if poor people were to be encouraged to make their own decisions, the old professional-client nexus which encourages dependency had to be broken. The barriers which existed to authentic human interaction between the helper and the helped had to be removed — in effect, the clients had to become the colleagues of the staff, rather than service recipients. This situation was achieved in the Project through constant exposure of staff and families to each other and the recognition that each group had skills which could be shared.

4. *Ibid.* p. 15-16.

As the relationship between the families and the staff changed, so did the method of working of the staff — they were forced to move out of the traditional social work enabler role to that of a broker and sometimes an advocate for the family members. Each professional staff member was assigned an area of work which was of importance to the social and economic condition of the families; for example, housing, employment, income security, etc. Within his resource area, each professional worker collected basic data and developed expertise. He organized around him a group of volunteers and at least one family member to assist him, and to learn about the resource area. Over time the professional worker slowly handed his knowledge and skills over to a family member who eventually replaced him as the resource worker on the staff. In the housing resource area the original enabling role was to help family members find and maintain appropriate housing. Slowly this role changed to that of a broker, where the resource worker intervened between families and housing authorities, both public and private, to ensure that families were not unjustly deprived of housing. The final stage of the first three-year period was the collection of information about tenancy, and new housing possibilities such as housing associations, house purchase, etc. Information from the Project's experiences also provided the basis for assistance and participation in community groups, whose objectives are to change the housing laws and regulations which discriminate against and prevent poor people from achieving their housing aims.⁵

5. *Housing Standards and the Poor*: op. cit.

3. DATA AND EXPERIENCES OF THE SIXTY FAMILIES

This study of the housing of 60 low-income families covers the period from November, 1972 when most of the families commenced their involvement in the Project, to September-October, 1975.

It begins with a comparison of the location of the families over the time of the Project and considers a major impediment which restricts choice of location and type of housing — family size.

The rental payments over the period are studied and a comparison is made between Housing Commission and private tenants. Data on the percentage of income committed to rent reveals difficulties for families with low or irregular incomes.

The experience of the Family Centre exposed a vast number of constraints which made improvements in housing very difficult. A detailed account is given of these constraints and means to overcome them suggested.

During the course of the Project, moves in housing were recorded and a study of the reasons for moving has been made. The further family 'costs' which moving house involve have also been considered.

A discussion of whether there is any relation between rent payments and the tenant's satisfaction with his housing is followed by a view of tenants' perceptions of adequate housing.

Having considered the detailed experiences and data relating to the housing of 60 families, this report moves on to examine the ways in which

the Family Centre resources were used to help the families improve their housing, which community facilities were utilized and the areas in which community services must expand to be more readily available to the broad section of low-income families as they, too, seek adequate housing.

Brief recommendations have been made at the end of each subsection, where appropriate. These are expanded and discussed in the final section of the report.

3.1 METHOD OF COLLECTION OF DATA

The data which forms the basis of this report was collected in several ways.

1. Accounts of families' changed circumstances and aspirations were recorded in each family's 'open file', during the time of the Project. The open file was available to each family at any time for recording of data which was felt to be of personal significance or of value to the research of the Project. Family Centre workers, with the permission of the family, also recorded significant events in the file. The housing data in the files concerned matters such as: change of address; size and description of housing; applications for financial assistance with housing bonds, rent and costs associated with moving; letters to and from estate agents and the Housing Commission; details of rent difficulties and how they were resolved; dates of applications to the Housing Commission; rent and bond receipts; details of contact with legal aid for tenancy difficulties; verbatim accounts of families' feelings about their housing conditions.
2. Income supplement data was collected weekly for each family in order to assess eligibility for minimum need level supplement and rent subsidy. From this data the research worker of the Project was able to supply computer data for each family during the Project period. This covered information on rent distribution, income distribution, ratio of rent to income, family size, type of housing and number of moves.
3. Internal records were kept of applications for special financial assistance from Family Centre funds such as the Dalpatrick Fund, which was designed for use by families for housing improvements.

4. The method of working within the Project facilitated very close contact between worker and Family Centre member.¹ This enabled the Housing Resource worker to accumulate a vast number of facts and impressions which would be difficult to record, but which added significantly to the knowledge of the families' hopes, feelings and difficulties.
5. Tapes and written records were made whenever family members appeared in public to speak on matters related to housing—such as on a radio programme or at a public forum.
6. The Family Centre Bulletin was used to publicise information acquired by the Housing Resource worker or families of the Project, and this data was noted.

3.2 ACCOMMODATION, LOCATION AND FAMILY SIZE

When the 60 families were selected to participate in the Project they had to be geographically accessible to the Centre. During the three years, the moves by the families have not always been to areas they desired nor have they been to the type of housing of their choice.

Initially, nearly all families were located in the inner central suburbs and barely one third were in Housing Commission accommodation. By September, 1975, almost two-thirds were living in Housing Commission houses or flats and some had moved beyond the inner suburban area. The number of families living in rooms diminished as they made transition into private houses or flats, or into Housing Commission accommodation.

1. For further discussion, see publications in Appendix A.

Table 1 compares the location of the families relative to the type of housing at the time each family became involved in the Project, and at September, 1975.

Reference to Table 1 below shows six Housing Commission tenants in houses in the suburbs of Preston, Reservoir and Heidelberg, in September, 1975. All moved to those areas from inner suburban houses or flats during the period of the Project. While all have expressed pleasure at being able to live in a house, most have also expressed anxiety at living in a new area where the surroundings are unfamiliar, travel to the city and Family Centre is expensive, kindergartens less numerous and jobs more difficult to find.

The family (of husband, wife and three children) recorded in Table 1 as living in the country Housing Commission house previously lived in Richmond for many years in a condemned house. It had a low rent and provided a large yard for the children and their much-loved pets. They knew Housing Commission rents were the only possibility for them, but wouldn't take a Housing Commission flat in the city. After a constant stream of letters, medical certificates, and pleas to the Housing Commission they were allocated a house — but only in a country town with a surplus of houses, 150 miles from the city and the only way of life they knew.

Of the families shown in Table 1 as living in private housing in September, 1975, only one will consider moving into Housing Commission accommodation. The others insist on living in a house and because of family size, would not be eligible for a Housing Commission house. All are aware and, indeed, have experienced, difficulties renting in the private market, but prefer to endure these for the benefits of privacy and a back yard. Of the six families renting private flats, three have at some time lived in Housing Commission flats, and none at this stage will consider applying to the Housing Commission.

TABLE 1: HOUSING LOCATION & TYPE FOR FAMILIES AT THE TIME OF ENTRY INTO THE PROJECT (between Nov. 1972 & March 1973) AND SEPT. 1975

Type of Housing & Date	Location According to Dept. of Urban & Reg. Development Regions						TOTAL
	Central	North Western	Northern	Inner Eastern	Inner Southern	Country: Goulburn	
<u>Nov. '72- Mar. '73</u>							
H.C. ^(a) hse	1						1
H.C. flat	20	1		1			22
Priv. hse	12	5	1				18
Priv. flat	5		1				6
Boarding/ Rooms	11	1	1	1			14
TOTAL	49	7	3	2			61 ^(b)
<u>Sept. '75</u>							
H.C. hse	6	1	6			1	14
H.C. flat	25	1		1			27
Priv. hse	6		1		1		8
Priv. flat	3	3					6
Boarding/ Rooms	2		1				3
Not Known							7
TOTAL	42	5	8	1	1	1	65 ^(b)
<u>Relevant Suburbs in Regions</u>	C'wood F'roy Melb. Prahran R'mond StKilda S. Melb.	B'meadows B'wick	H'berg N'cote Preston	H'thorn Kew	Sandring- ham	Sheppar- ton	

(a) - H.C. means Housing Commission.

(b). A noticeable feature of the Project families is that family constellations are constantly changing due to separation, desertion, new de facto relationships, etc.; consequently, although the number of people remain much the same, each week can show a number of different family constellations from the original sixty.

The six families shown in Table 1 as living in Housing Commission houses in the inner suburbs are likely to be forced to move in the near future. They are presently living in houses initially purchased for slum-reclamation, but now made available for interim 'emergency' housing for tenants before they become eligible for standard Housing Commission houses or flats. While none of these houses is luxurious, and most need repairs, the tenants are desperate to stay there. They do not want to be forced into a flat or an outer suburban house. There is no choice between these two alternatives. Family size is the determinant. Two parents and four or less children must live in a flat, but with five or more children they can have a house.

One of the families listed in Table 1 as a Housing Commission flat tenant in Fitzroy was recently moved from one of these Housing Commission houses made available for temporary accommodation. She had lived there for some years; and compared her house with her new flat:

'I suppose you could say it's better than the house I was living in, and I would agree with you as far as having a decent toilet and bathroom, and not having to worry about falling through the floor, broken windows and leaking roofs. But the negative far outweighs the positive. The flat as far as I'm concerned — with its cold concrete walls and floors — is as cheerless as a prison cell. I feel caged in, so I spend as little time as possible at home, if that's the word to use.'

Table 2 shows the types of accommodation according to the family size in September, 1975. The very large families of seven or more members are in Housing Commission houses, but it is significant to note that *not one* of these families was in Housing Commission accommodation at the commencement of the Project — all were renting unsatisfactory houses in the private sector.

TABLE 2: TYPE OF ACCOMMODATION FOR FAMILY AT OCTOBER, 1975,
ACCORDING TO NUMBER IN HOUSEHOLD

No. in Household	H. C. house	H. C. flat	Private house	Private flat	Boarding/ Rooms
1				1	3
2		3		1	1
3		3	2	2	
4	2*	12	1	1	
5	1*	4	5	1	
6	2+1*=3	5			
7	4				
8	2				
9	1				
12	1				
TOTAL	10+4*=14	27	8	6	4

TOTAL = 59 families**

* The four families in Housing Commission houses as indicated by * are those living in emergency houses and unlikely to be rehoused in houses. Because of family size they will be required to live in flats.

** No data was available for six families.

It is ironic that the largest families who inevitably experience the greatest difficulty finding satisfactory private housing, and who have the greatest other financial demands to survive, were not housed in public housing.

The reasons in four cases were simple — they were prevented by Housing Commission arrears in previous tenancies which had terminated, and would only be reconsidered when the arrears were paid.

Another family was too small at the beginning of the Project, but increased in size and became eligible for a house.

The three other large families had submitted applications, but these needed following through with the Housing Commission. The local parish priest played the advocate role in two cases and hastened applications. These families had been unsettled in their housing and had not been able to adequately plan and follow through their needs, even in tasks such as notifying change of address or circumstances during the many months of being on a Housing Commission waiting list. They certainly were unable to plan and cope with the repayment of Housing Commission rent arrears whilst they were constantly moving house and whilst they were committed financially to high private rents.

SUMMARY

The most vulnerable section of the low-income community — the large family — was not always utilizing the housing to which it was entitled, for two reasons. Firstly, they were ineligible for public housing because of past rent arrears and secondly, while their housing was unsettled, they were unable to follow through an application for public housing.

The smaller family was restricted by family size from being eligible for a Housing Commission house and often rejected a Housing Commission flat, and therefore rejected the only opportunity for reasonable rent.

RECOMMENDATIONS IN BRIEF

1. Further purchases should be made by the Housing Commission of suitable existing houses for rent in the inner suburbs. (See sub-section 5.3)
2. Cost-rent housing associations as an alternative offer a new initiative for the preservation of a stock of low-income housing scattered throughout the inner-suburban area. (See sub-section 5.3)
3. Private tenants who are at present in arrears to the Housing Commission should be able to be re-accepted as tenants before their debts are paid. (See sub-section 5.1)

3.3 RENT

During the course of the Project, the income supplement information collected weekly gives valuable data on the rent changes during the three-year period and facilitates a comparison of rent paid to income received.

Table 3 shows the rent distribution of the families according to their different forms of accommodation. The families in Housing Commission paid the lowest average rent (\$10.7), followed by the families in rooms (\$13.1), families in flats (\$19.2) and finally, families in private houses (\$28.4).

This table provides a summary of the rental situation of the families over the period February, 1973, to October, 1975, and does not show the increases in rentals over time. To do this, regression analyses were performed. The rents paid by families in Housing Commission accommodation and in private houses or flats were regressed on time. There was a significant increase in rents for both forms of accommodation over time, however, this increase in absolute amounts was very small.² Moreover, when the proportion of rents paid to family income was regressed on time, it was found that there was no significant

2. $R = .05t + 8.7$ where $R =$ rent paid by Housing Commission tenants
 $t =$ time

$r^2 = .17$
 $F = 773.0$

$R^1 = .08t + 18.0$ where $R^1 =$ rent paid by tenants in the private
sector

$r^2 = .18$
 $t =$ time
 $F = 759$

TABLE 3: RENT PAID BY TYPE OF ACCOMMODATION BETWEEN
FEBRUARY, 1975, AND OCTOBER, 1975

Rent Paid (\$ per week)	Type of Accommodation (% of observations)			
	Housing Commission House or Flat N = 4024	Private House N = 2256	Private Flat N = 1308	Rooms N = 502
0-5	4.2	2.0	0.3	12.2
6-10	35.6	1.7	0.5	28.5
11-15	32.4	12.4	15.6	27.7
16-20	20.8	23.0	35.8	14.7
21-25	6.1	21.1	23.8	3.2
26-30	0.7	24.3	9.9	11.6
31-35	-	11.4	13.2	1.4
36-40	-	4.1	0.9	0.8
TOTAL %	100.0	100.0	100.0	100.0
AVERAGES	10.66	22.42	19.17	13.14

change in the proportion of rent to family income.³ In other words, the increased rents were being matched by increases in the families' pensions and wages. Thus, from an economic point of view, the rental situation of the families has not changed over the three-year period.

For the families of the Project, the proportion of income paid on rent has varied greatly. For the family with a steady income, the high proportion of income consumed by rent causes problems, as the case of Mr A will illustrate.

Mr A was injured in a motor accident in January, 1973, close to the time of the commencement of the Project. After some months in hospital, he received sickness benefit payments for two years while he underwent physiotherapy and medical treatment towards rehabilitation. He was entitled to a rent rebate for his Housing Commission rent, but did not know he was eligible for some months and, therefore, battled to pay 26 per cent of his income of \$67.50 on rent, as well as weekly hire purchase payments of \$17.50.

He fell behind in his rent because of difficulties making ends meet, and his first reaction on receiving notification from the Housing Commission of impending action was to want to move from the flat. Fortunately, before he did this, he was in-

$$3. P = .001t + .33$$

$$r^2 = .001$$

$$F = 4.2$$

$$p^1 = .003t + .98$$

$$r^2 = .002$$

$$F = 10.1$$

P = proportion of rent to income for Housing Commission tenants.

formed that it was possible to make an arrangement with the Housing Commission to pay off arrears. This he did, but only after his case had been to court, and a warrant to evict him had been authorized, but not signed. He made an agreement to pay arrears as well as weekly rent, with the knowledge that if he did not meet this commitment on any occasion, the warrant would be signed without any further legal action.

Mr A's health improved, and he underwent a short training course for work in a new field, only to find that just two weeks after he commenced work, he was put off because the company was over-staffed for the work available. For two weeks he received no income, not being eligible for Unemployment Benefit until he underwent the waiting period.

Had he received Unemployment Benefits he would not have been eligible for a rebated rate until he had received benefits for four weeks. During this time of no income, the rent and payments of the arrears were, of course, not met. A warning letter from the Housing Commission, stating that the warrant of ejection would be signed, was received. Fortunately, Mr A had the confidence, by this stage, not to be intimidated by a letter, and was able to face the Housing Commission and make a further agreement. Had he not had this confidence and understanding of Housing Commission procedures, the delicate situation of the family's security could have been compounded and another family added to those seeking private housing and unable to be accommodated by the Housing Commission because of rent arrears.

This case highlights the need for better publicity of the availability of rent rebates for Housing Commission tenants. Information should be given to tenants on eviction procedures and on the tenant's right to

avoid eviction by making agreements to pay off arrears. Tenants receiving Unemployment Benefits should be immediately eligible for a rebated rent from the date of unemployment.

When a family's income is fluctuating from week to week, the problem of high rent is all the more severe. For example, consider the case of Mr B.

Mr B was a Housing Commission tenant. His income over a 75-week period is given in Table 4, and his rent as a percentage of his income is shown in Table 5.

TABLE 4: WEEKLY INCOME FOR Mr B FOR A 75-WEEK PERIOD

	Weekly Income (\$)						Total
	1-10	21-30	31-40	41-50	51-70	71-80	
No. of Weeks	24	16	5	7	-	23	75
% of Weeks	32	21	7	9	-	31	100

TABLE 5: PROPORTION OF INCOME PAID IN RENT FOR Mr B, LIVING IN A HOUSING COMMISSION FLAT FOR A 75-WEEK PERIOD

	Percentage of Income Paid in Rent			Total
	Less than 30	30-50	50 & over	
No. of Weeks	23	12	40	75
% of Weeks	31	16	53	100

During this period, Mr B was working for 21 weeks, unemployed for 46 weeks, and sick for seven weeks. The difficulty of meeting rent payments above 50 per cent of income is enormous and often impossible, given the demands of hire purchase and food needs, and with no reserves available from previous weeks' income.

Mr B is an unskilled man who is also handicapped by a severe drinking problem and the numerous associated social difficulties. His wife tries to pay the rent as a first priority, however, she cannot do so when there is no income. There is little comfort in the thought that it could be paid the next week as the predictability of income in this situation is low.

Had Mr B been living in a Housing Commission flat he would not have been entitled to a rent rebate, despite his low income. The amount to which a person is entitled as a full member of the work force (i.e. the minimum wage) is the deciding unit in granting a rebate, not the actual amount of income earned. Any person not receiving this amount must receive Unemployment Benefits before being granted a rebate. The losers in such cases are the families of the irregular workers, and the effects will be hard felt for many years.

SUMMARY

During the three-year period of the Project, the families' rent increases were matched by income increases so that the proportion of income paid on rent did not change significantly.

Housing Commission tenants need sympathetic treatment when finding difficulty meeting rent payments and rent arrears. They are

lacking in information on the availability of rent rebates and eviction procedures.

Low-income irregular workers and their families suffer in both the private and public sector when they lack the means to pay regular rent.

The Housing Commission policy of not granting a rent rebate to people immediately they are unemployed, only exacerbates their situation.

RECOMMENDATIONS IN BRIEF

1. The Housing Commission Tenants' Union should be assisted to disseminate information about rent rebates, rent arrears procedures and assist with application forms. (See sub-section 5.1)
2. Housing Commission tenants should be informed of the Housing Commission policy concerning rent arrears. (See sub-section 5.1)
3. The steps taken by the Housing Commission in handling rent arrears are in need of reform. (See sub-section 5.1)
4. The Housing Commission should allow rent rebates to be paid to people immediately they become unemployed. (See sub-section 5.6)
5. A system of assisting very low-irregular-income families pay their rent is essential. (See sub-section 5.7).

3.4 HOUSING CONSTRAINTS IN THE PRIVATE SECTOR FOR LOW-INCOME FAMILIES

At the commencement of the Family Centre Project the majority of the families were not living in public housing. The Commission of Inquiry into Poverty⁴ confirms the view that many low-income families are seeking housing in the private sector. The report states that public housing authorities *'are not sufficient to cope with the housing problems of the poor. The majority of their tenants are not below the poverty line and only a small proportion of those who are below the poverty line are in Housing Commission accommodation'*.

The families of the Project who searched for suitable housing in the private sector encountered numerous problems, many of which are outlined below.

3.41 Women as Private Tenants

Women with a family who were not supported by a husband and were seeking housing as private tenants, were severely handicapped. If they were on a pension, they had to face the estate agent's inquisition about their income, debts, family size, and the inevitable answers that he couldn't see how anyone could pay such a high rent on such a low income, or that the owner didn't mind one child, but not three or four. Often the agent requested a reference from previous landlords, and rent receipts. This was difficult to meet if the previous accommodation had

4. Prof. R. F. Henderson: *Poverty in Australia*, Commission of Inquiry into Poverty, First Main Report, April, 1975. (AGPS Canberra, 1975) p. 176.

been rooms, or if rent arrears had accumulated because of high rents. The agent often asked for a male guarantor or a work reference, both of which were impossible for women not supported by a man, and not having worked for years. Below is a section of an interview with a woman with one child.

'Yesterday I went to the agency, and I asked if I could look at a flat and they said "yes". I liked the flat. I went back to the agency to discuss rental, bond, such things like this, and they asked me how many people the flat will be for. I told them myself and a child. Then they asked if I could have a male guarantor and I said "Why, I'm over 21?". They said because I was a single parent with a child that I needed a male to guarantee that I could pay the rent. I asked the agent if a man came to the agency and wanted to rent a flat would he ask for a female to sign to guarantee that he would pay his rent, and he said "No, that they wouldn't need this". I feel that there is a terrible lot of discrimination against women in general just wanting to live somewhere and having children. I really don't think that's fair!'⁵

3.42 Security Bond and Rent

It is the common practice in Victoria, and in most States of Australia, for landlords or their agents to require the payment of a security bond by a tenant, to protect the landlord against losses through damage to his property by tenants or losses if a tenant leaves without fully paying his rent.

5. This interview was held with a family member during an Access Radio program made by the Tenants' Union of Victoria, June, 1975.

The high rents are difficult to meet without this additional burden. At the beginning of the Project, bonds were between \$50 and \$80, but at the time of writing are more commonly \$200. In addition to the bond, the agent usually demands four weeks' rent in advance, a request which is beyond the means of families unable to make any weekly savings, and unattractive to people who only feel secure when paying weekly or fortnightly rent the same day the pension cheque or wages are received.

Bonds were never returned immediately on vacation of premises, even if the rent was up to date and no damage had been done. Disputes about whether or not damage had been done by the tenant were difficult to resolve. Frequently, tenants bore the cost of damage done by previous tenants or of general maintenance, costs which any landlord must expect to incur himself in keeping his property in good condition.

Without *immediate* return of all or part of a bond the search for a new house or flat is much more difficult as there is no money available to secure the new house or flat with an immediate payment. A bond has to be re-saved or borrowed in the *hope* that the previous one will be returned. It was a very rare case for bonds to be returned without numerous follow-up telephone calls to agents, and often legal action.⁶

3.43 Location

In Section 3.2, Table 1 gives an impression of the area favoured by the families. These inner suburban areas are now attracting affluent

6. Legal action is normally beyond the means of low-income people. However, the services of Fitzroy Legal Service and the Tenants' Union of Victoria were available free to low-income people. The address of these services are contained in Appendix B.

young professional people, and this has caused the cheaper rental housing to diminish. That which is available is highly sought after. There is competition to the extent that applications often have to be submitted by prospective tenants, and the agent is able to select the tenant he wishes. This forces low-income families eventually to move further away from their familiar ground into suburbs more distant from the city centre.⁷

3.44 Transport.

Competition also occurs in the speed with which a tenant is able to get to the premises of a vacant house or flat or to the agent advertising it. Low-income people generally do not own a car.⁸ The family who can only use public transport to go to agents and houses has, of course, lost before it sets out.

3.45 Maintenance and Repairs

Often when the tenant agrees to take a house or flat, he is promised maintenance or repair work will be done — such promises are rarely honoured, and constant requests either meet a blank wall, or statements such as 'If you don't like it, you can leave'.

3.46 Insecurity of Tenure

Having overcome the obstacles and settled into a house or flat,

7. Methods of retaining a stock of housing for low-income families in the inner suburbs are discussed in Section 5.3.
8. Of the 60 Project families, only eight owned cars during the entire Project period, and three other families have more recently acquired cars.

the tenant's security is negligible. So often, houses in the inner suburbs are put up for sale and the tenant has to tolerate the invasion of people to inspect his 'home' and then he is usually evicted to let the new owner in.

Long term leases are not favoured by agents at a time of rapid rent rises. If available yet another cost, stamp duty, is incurred. A tenant on a lease, albeit a short-term one, has no guarantee of continued tenancy when it expires and usually has to face a rent rise.

3.47 The Tenancy Laws

Most tenants are entirely ignorant of the very few legal rights they have as a tenant, and are, therefore, readily exploited by the landlord and his agent. Reports on landlord-tenant law in Australia by the Australian Commission of Inquiry into Poverty⁹ describe the current law as a scandal! The following specific criticisms are stressed:

'The law fails to guarantee the privacy and security of the tenant in his home; it exempts the landlord almost totally from an obligation to provide or maintain decent standards of housing; it fails to provide effective safeguards against excessive rents; it condones the use of a lease which gives little protection to tenants and most to landlords; it allows eviction for arbitrary or no reasons on short notice; and it offers legal remedies which are slow, costly and ineffective. Needless to add the effects of all these defects are felt severely by the poorer tenants.'¹⁰

9. A. Bradbrooke: *Poverty and Residential Landlord-Tenant Relationship - Final Report* (AGPS, Canberra, 1975); and R. Sackville: 'The Poor Tenant', a chapter in the final report on *Law and Poverty*, (AGPS, Canberra, 1975).
10. Michael Salvaris: *Rental Housing Law and Social Responsibility*, Submission to the Attorney-General of Australia, (Tenants' Advice Service, August, 1975).

3.48 Type of House

These obstacles make the low-income family a very sad last in the private sector. The low-income house seeker so often has to resort to the one which is so inadequate that the bond is non-existent or low, and obviously the rent is low. Often this type of house is one which becomes damp in winter, incurring huge heating bills and health costs to the children for a lifetime; has poor laundry facilities incurring huge coin-laundry bills, and which has poor cooking facilities and inadequate bathroom and toilet facilities which are a health risk.

SUMMARY

Families seeking housing in the private sector face a daunting task. If they are women with a family and no husband to support them, they are regarded with apprehension by the agent. Security bond, rent in advance are major financial burdens and the inability to travel in their own transport makes looking for housing difficult. Lack of protection against bond snatching is not only unjust but handicaps future tenancy opportunities. In addition, the law does not adequately protect the tenant's rights to privacy, security of tenure, fair rents, and adequate maintenance. Opportunities for renting in the inner suburban areas are diminishing.

RECOMMENDATIONS IN BRIEF

1. Bond money should be held by an independent person or body.
(See sub-section 5.5)

2. Landlords should not be able to demand more than one week's rent in advance. (See sub-section 5.5)
3. The tenant's right to maintenance of services should be guaranteed. (See sub-section 5.5)
4. The supply of inner suburban housing should not be lost to renters. (See sub-section 5.3)
5. An experimental Housing Information Centre should be established. (See sub-section 5.4)

3.5 HOUSING CONSTRAINTS IN THE PUBLIC SECTOR FOR LOW-INCOME FAMILIES

Some families seeking housing in the public sector are restricted in access to the housing of their choice.

3.51 Family Size

A major obstacle to satisfaction for Housing Commission tenants is the knowledge that the only possibility open to them for moving into a house from a flat is to have five children, or six children if a woman is supporting a family on her own.¹¹ The desire by families to have a house and a garden is so strong that many women with four children give serious consideration to having a fifth purely for that reason. One woman who supported a family of five children on her own and lived in a

11. There are occasions on which these regulations are abandoned in consideration of serious health problems of a family.

Housing Commission flat, deliberately became pregnant with her sixth child so that she became eligible for a house. As she said in a report in the *Australian* newspaper on 22.8.75:

'I knew there was a lot hanging on my decision and that people and government officials would start saying things, but there was no way known that I was going to stay in that flat. I had five kids, with the youngest two and the eldest thirteen, but they only had the freeway or the railway yards to play in. They just spent their time swinging on the clothesline or playing in the washroom. So I set about and ... you know, got pregnant. I had the baby in August, 1973, and by September, I started to move into the house. I still say to the kids, "Now don't annoy Dominic because he's the one who got the house for us".'¹²

3.52 Rent Arrears of Past Housing Commission Tenants

One of the most disturbing constraints imposed on the low-income families of the Project at its commencement were huge rent arrears owed to the Housing Commission. These were incurred during tenancies which had terminated some months or years previously. The families were unable to be reconsidered for Housing Commission accommodation until

12. Reports from the Housing Commission Tenants' Union suggest that the policy on the number of children required for eligibility for a house may soon change. It is suggested that a woman supporting children on her own may require only the same number of children as two-parent families. Such a change would be welcomed, however, a change in policy is ineffective without an increase in housing stock. The coincidence of publicity of the type mentioned above and suggested change of policy is too strong to be ignored.

these arrears were met. Although they could have submitted an application and undergone the normal wait of one year or so in anticipation of being able to pay the arrears, no-one contemplated this possibility. These families had to find housing in the private sector and encountered the types of problems, outlined in the previous section. They paid rents, bond and other costs which made payment of their arrears to the Housing Commission impossible.¹³

CONCLUSION

A recent report on housing of the Australian Government Priorities Review Staff sets out the aims of public housing policy as:

- * 'redistribution to the poor via permanent habitation at concessional prices and rentals
- * rescue in emergencies for households or individuals at some point of crisis
- * the provision of choice of habitation, especially for the poor, by increasing low cost options and keeping the market diverse and competitive.¹⁴

Clearly the family which is forced to increase its size to become eligible for a Housing Commission house is not being offered an acceptable 'choice of habitation'. The family unable to meet past rent arrears but seeking public housing is one of the 'poor' families to whom a 'redistribution' of wealth is essential. Many of these families are in need

13. Many of the Project families had their rent arrears to the Commission paid. This is discussed later in the report in Sub-section 4.1.

14. Priorities Review Staff: *Report on Housing*, August, 1975. (AGPS, Canberra, 1975).

of 'rescue in emergencies' — emergencies which occur weekly as they struggle to pay impossibly high rents and search for a cheaper but adequate house.

RECOMMENDATIONS IN BRIEF

1. Private tenants who are at present in arrears to the Housing Commission should be able to be re-accepted as tenants before their debts are paid. (See sub-section 5.1)
2. The supply of low cost rental housing should be increased. (See sub-section 5.3)
3. Means of assisting low-income people to pay their rent must be introduced. (See sub-section 5.7)

3.6 MOBILITY

Low-income families in the private sector have many reasons for changing their accommodation as discussed in Section 3.4. Housing Commission tenants do not always remain in the same house or flat and some move into the private sector. During the time of the Project, movements in housing and the reasons for moves were recorded for all the families.

Table 6 shows the movement of families between Housing Commission and private accommodation from the time of involvement in the Project until September, 1975. It can be seen that 22 families moved from private houses, flats and rooms into the Housing Commission. It is significant that the only families who remained in the same accommodation for the length of the Project were the Housing Commission tenants.

TABLE 6: THE MOVEMENT OF FAMILIES BETWEEN HOUSING COMMISSION AND PRIVATE ACCOMMODATION BETWEEN TIME OF INVOLVEMENT IN PROJECT AND SEPTEMBER, 1975.

Description of Movement	No. of families	
	n	Total
A. <u>Remained in Housing Commission:</u>		
At the same house/flat	12	15
Moved from flat to house	3	
B. <u>Remained in private accommodation:</u>		
At the same house/flat	-	
At least one move from one house/flat to another	7	
From rooms to house/flat	2	12
From rooms to rooms	2	
From house/flat to rooms	1	
C. <u>Moved into Housing Commission:</u>		
From private house/flat	16	
From rooms to private house/flat to H. Comm.	5	22
From rooms	1	
D. <u>Moved from Housing Commission:</u>		
To private house/flat	3	3
E. <u>Moved from private house/flat/rooms to Commission & returned to private house/flat:</u>	2	2
F. <u>Moved from Housing Commission to private house/flat and returned to Housing Commission:</u>	5	5
G. <u>Not Known:</u>	6	6
TOTAL	65	65*

* A noticeable feature of the Project families is that family constellations are continually changing due to separation, desertion, new de-facto relationships, etc; consequently, although the number of people remain much the same each week can show a number of different family constellations from the original sixty.

There were 143 known moves in accommodation for 65 families. The reasons for the moves are tabulated below in Table 7.

TABLE 7: THE REASONS FAMILIES MOVED AND NUMBER OF MOVES MADE DURING THE PERIOD BETWEEN TIME OF INVOLVEMENT IN PROJECT AND SEPTEMBER, 1975

Reasons for Move	No. of Moves	%
a. Rent rise	3	2.1
b. Social reason such as marital upset, disagreements with others in same accommodation or neighbours	30	21.0
c. Disliked housing because it was too small, unhealthy, not sufficiently private, etc.	50	35.0
d. No apparent reason	22	15.4
e. Moved to Housing Commission	18	12.6
f. House/flat sold	7	4.9
g. Evicted for rent arrears or issued notice to quit	8	5.5
h. Evicted because landlord wanted tenant out	2	1.4
i. Not known	3	2.1
TOTAL	143	100.0

Moves listed from item (a) to item (e) could be broadly classed as voluntary moves — i.e. moves the family chose to make at the time. The moves listed in items (f) to (h) could be classed as involuntary — i.e. forced upon the family with no choice in timing. Given this categorization only 11.9 per cent of the moves were involuntary, while 86.1 per cent involved some degree of decision by the family. The reason for this large number of chosen moves was in part due to the extra power and choice provided by the money of the income supplement. In addition, the facilities of the Family Centre, which are discussed in sub-section 4.2, increased the

families' access to suitable housing information in both the private and public sector.

Despite the benefits of income supplement, Table 7 reflects the difficulty low-income families have in finding suitable housing within the range they are able to pay.

The moves as a result of marital upsets were a great cause for concern because it often meant the forfeiting of Housing Commission accommodation until stability returned to the family situation. If a woman left her husband and took some, or all, of the children, she had to find private accommodation and then re-apply to the Housing Commission and await her turn. The husband left behind without children had to give up the Housing Commission accommodation.

The situation is not so difficult if a husband leaves his wife, as she can have the tenancy transferred to her name, but this does mean, of course, her whereabouts are known to her husband, which may not be desirable to her.

The Housing Commission understandably does not want to enter into marital disputes, however, when a woman and her children have had cause to forfeit Housing Commission accommodation, it would be reasonable to expect the woman and children to be rehoused elsewhere without the normal waiting time of at least nine months.

Social disagreements with others in the same accommodation or neighbours were common when housing was shared, and sometimes in flats where little privacy was possible.

The families who moved voluntarily, with no apparent reason (item (d)), were usually families in which women supported children alone, so it is suspected that many moves were to hide from husbands or boyfriends.

The table below shows the number of moves made by families.

TABLE 8: NUMBER OF MOVES MADE BY EACH FAMILY DURING THE PERIOD NOVEMBER, 1972 TO SEPTEMBER, 1975

Number of moves	0	1	2	3	4	5	6	7	8	Not known
Number of families	12	14	12	10	5	3	4	-	2	2

As mentioned previously, the families who made no moves were all Housing Commission tenants. The reasons are several. Many Housing Commission tenants are satisfied with their conditions and, providing they are able to pay their rent, their tenancy is more secure than that private tenants. Rent rises, though felt to be excessive by some tenants still bring rent levels below those of equivalent housing in the private sector.

The families with the highest number of moves were generally those who had resorted to sharing accommodation with friends or relations or boarding. This undoubtedly exacerbated the situation which led to the housing need and caused desperate attempts to be made for something better as a temporary measure. Also, as suggested earlier, some of the high movers were women possibly hiding themselves or their families.

Apart from the tangible costs associated with moving house — such as electricity and gas deposit fees before connection, furniture removal costs, travel costs while looking for housing, bonds and rent in advance — the less tangible costs are immense. The person searching for a house suffers frustration, anxiety, loss of time and energy and children are forced to change schools and lose friends. The following example expresses the feelings of one 12-year-old member of the Project about moving house.

'It's terrible shifting all the time — I know what it's like fixing up the new place — making the house nice — that's the hardest thing. If the light and gas isn't on you have to use candles.

'For the past three or four years we've been in five or six houses. I haven't stayed at the same school more than a year ever that I can recall.

'When I went to a new school where they had a uniform and I didn't, I felt left out, but when it came to sport I didn't feel left out because you're allowed to wear anything.

'When you go to a new school you have to get to know new people. Sometimes when you change schools you get a funny feeling they're not going to like you at the other school.

'When I go to high school I want to stay at the same school.'

Not only are school children affected by mobility. Young kindergarten and pre-kindergarten children missed places on waiting lists for subsequent years or terms. Sometimes children had to actually cease attending kindergarten — with no further opportunity, because of family housing moves.

SUMMARY

During the course of the Project many families moved into the Housing Commission. This was not without encouragement to make application and persistent follow-up with the Housing Commission.¹⁵

15. See: Sub-section 4.2 for further discussion of Family Centre assistance.

The only families to remain in the same housing throughout the Project were Housing Commission tenants, which reflects a degree of satisfaction with their housing and the fairly secure tenancy and lower rents than in the private sector.

The mobile group were the families in the private sector as they sought to improve their situation and as they used their added freedom provided by the income supplement and access to information and other Family Centre facilities.¹⁶

Social disagreements were a common cause of moving. Of particular concern were marital upsets which ultimately involved the forfeiting of Housing Commission accommodation.

RECOMMENDATION IN BRIEF

Priority should be given by the Housing Commission to rehousing separated families once their situation has stabilized.
(See sub-section 5.2)

3.7 THE RELATION BETWEEN RENT PAYMENT AND HOUSING SATISFACTION

If a tenant was happy with his housing, or at least accepted it as most suitable for his needs and income, it seemed very rare in the experience of the Project that the rent was not paid.

Table 7 indicates that eight families were either evicted or forced to leave their dwelling because of rent arrears. However, in most of these cases, the tenants did not want to stay where they lived — either because the housing was inadequate, because of serious social upset or because of dissatisfaction with a Housing Commission flat.

16. Ibid.

In detail, these eight cases were as follows:

In two cases, the husband and wife separated and during the unsettled months which followed, rent payments were not made. In neither case did the rent payer want to stay where he was living.

In three cases, the housing was completely unsatisfactory because of the size and its inadequate facilities. In none of these did the tenant want to stay in the house or flat.

In two cases, the tenants loathed living in Housing Commission flats and went to the country in the hope of finding something better.

In the last, the rent was impossibly high for the income and outgoing expenses for a large family.

Apart from these families who were actually forced to leave their house because of rent arrears, other families did from time to time accumulate arrears. Again, however, if the family accepted their housing as suitable and understood their rights as tenants the rent was eventually met.¹

Housing Commission tenants passed knowledge from family to family that arrangements can be made with the Housing Commission to pay off arrears, even after the issue of a Notice to Quit, and after Court proceedings have begun. Many families also gradually learned to explain their difficulties in paying rent to the Housing Commission before they

17. Occasionally a special loan or grant was made from the Family Centre Project Dalpatrick Fund to assist with rent costs. This is discussed further in sub-section 4.1.

had received letters or notices. One family member who had learnt from bitter experience how to deal with Housing Commission rent difficulties made the following points in an article in the Family Centre Bulletin:

'If for any reason you get behind in your rent, go and see them and find out exactly what your arrears are if you aren't sure. Don't wait for them to get in touch with you because if you get in first and you make them a reasonable offer they will usually play ball.

'When you find out you are not going to be able to meet your rental commitment, go and see them straight away, and explain to them the reason. (This is the better course of the two.) If, for instance, it's because of unemployment, go and see them straight away and explain this to them, because they know that you are fair dinkum and not just trying to avoid paying rent.'¹⁸

The rent subsidy of the Family Centre Project income supplement scheme¹⁹ was used by private tenants as a means of improving their housing standard so that stability could be achieved in the interim period before Housing Commission accommodation became available. For many families, it was the first time they could contemplate renting housing which was of even moderate standard. Because of this satisfaction, rent arrears when they did occur were met with an earnest effort to make agreements with agents, and huge sacrifices were made to repay.

For some families, this could not be achieved without considerable

18. Family Centre Bulletin: 8.7.74.

19. See sub-section 2.1 for details of Income Supplement Scheme.

strain and they were often relieved once they moved to Housing Commission accommodation and did not have to pay high rent, even though in most cases a high portion of rent in the previous accommodation was, in fact, subsidized by the rent subsidy scheme.

An example follows of one woman whose high but subsidized rent was not considered preferable to a lower unsubsidized rent.

A woman with three children living on a pension of \$54 and income supplement of \$14 was paying \$30 in a private flat, \$12 of which was supplied by the rent subsidy. She moved into a Housing Commission flat with the same income but rent of \$12. In either case, she had almost the same amount of money at her disposal after the rent was paid, but she felt considerably better off in the Housing Commission flat. In the first case, she was paying \$30 out of \$80, or 38 per cent of her total income (pension and rent subsidy and income supplement) on rent. In the second case, she was paying \$12 out of \$68 or 18 per cent of her total income (pension plus income supplement) on rent, and so psychologically, she felt she was much better off in the second situation.

This is just one example, but several women in the Project expressed similar anxiety followed by relief when they compared their rents in the private and public sectors. Perhaps these people would have been happier if their rent subsidies had not passed through their hands in cash form. Instead, it could have been paid direct to the landlord by cheque.

Two further examples are provided, both of families whose rent situation improved when their degree of satisfaction with their housing improved.

One family had left the Housing Commission with rent arrears and has since returned. They are no more satisfied with the surroundings than before, but now regularly pay the rent because they have a definite plan to buy a house in the next few months. The second family also left the Housing Commission with rent arrears, and has returned. The de facto husband had been a source of contention with the Housing Commission in the previous tenancy. This time he is a joint legal tenant of the flat.

SUMMARY

The experience of the families of the Project indicate that tenants who are satisfied with their housing will somehow manage to pay a high rent, providing, of course, their financial means are adequate.

Assistance with rent for some families may not be sufficient to overcome the strain of paying a high proportion of income on rent. Some tenants may therefore prefer rent assistance to be paid direct to the landlord, which is really in effect what occurs when Housing Commission tenants receive a rent subsidy.

Cases in which rent was not met seemed to indicate a lack of satisfaction with housing or a serious underlying social upset.

RECOMMENDATION IN BRIEF

Assistance with rent for private tenants should be available, and consideration should be given to direct payment to landlords for some cases. (See sub-section 5.7)

3.8 ADEQUACY OF HOUSING

The families' perceptions of adequate housing take into account numerous factors such as rent, neighbours, gardens, back yards for fixing cars and privacy. For some, adequate space and washing facilities are important. For others, their children's friends and an area for the children to play are of prime significance. Reasons vary as this case will illustrate.

One woman with three teenage sons and two other young children left her Housing Commission flat after three years. Her comments were 'they (the Housing Commission) don't pick on families with men — just single women like me. They've hounded me and hounded me and I can't stand it any longer. I'm leaving today, I'm not fighting any more. They'll put me in my coffin. They've finally beaten me. They've wanted me out the whole three years'.

And so she and her five children left and rented a tiny, poorly equipped inner suburban house in a laneway for \$23 per week. Soon after they moved in, one of her teenage sons said, 'It's much quieter, people don't tell you off any more (i.e. other residents), we don't get blamed for running up stairways and on the roof, which we didn't do. There's a back yard to keep pigeons to keep a dog, and a laneway for cricket and football. You can have whoever you like over there, my friends and my Mum's friends. Mum can do the washing whenever she likes and can hang it up without it being pinched.'

The woman battled to pay the rent, and after six months, made arrangements with the agent to transfer her bond to another house which was larger and better equipped, and in a pleasant street.

She continued to pay the higher rent, together with an income supplement and rent subsidy, but eventually the battle became too much and she decided she would have to return to the Housing Commission if she was to survive, especially without income supplement and rent subsidy when these terminated.

For other people, space and privacy are their greatest desires. Another woman with four teenage children made these comments about her Housing Commission flat:

'One feels as though one is being suffocated. Before we felt as though there was room to move. You get this feeling that you're a criminal the way you're treated when someone knocks on the door. I feel I'd like to scream — I can't though, because there are people below and above.'

She speaks of her previous house, where 'you could walk out in the back yard, and there were flowers and roses and you could see — in the flats there's nothing'. The final comments indicate her preference in housing. 'If it wasn't just for the thought that if I went somewhere else I'd have to pay a bond and rent in advance, I'd go.'

Some people in Housing Commission flats are continually troubled by poor maintenance and restrictions about decorating the flat themselves. A tenant made these comments.

'In the flats, you're not allowed to do anything, no painting. If you want something done, they take three or six months to come out and fix things. I bought some plastic stuff to stick around the gas stove, and on the bench, to make it look better — it drives you silly, you can't do nothing to it.'

One family has tolerated a very poor housing standard so that the husband can spend time fixing cars in the back yard. In a Housing Commission flat this would be impossible.

Of course, housing difficulties take their toll on family relationships. As one very disappointed mother of five said, 'The only thing getting this flat has done to me is cause me more fear, more worry and worse spells of depression, and to be abusive to my family. I can't cope at all with anything.'

Teenagers have their worries in the Housing Commission flats, too. One 16-year-old boy referred to flats as a 'great big concrete jungle with flats in it'. He added that 'everyone minds everyone else's business except for their own'. As far as recreation facilities go, he said 'when you live in the flats you can't do nothing - and you're always hanging around'.

In the report of the adolescents of the Family Centre Project²⁰ it is said that the inadequate facilities of the flats cause 'the teenagers and children to congregate at the bases of the flats, in full view of everyone who passes, including the Police and Housing Commission Security Officers'.

'Because they were so obvious, special attention was paid to this group by the police and they began to be picked up by the Police for behaviour which - if occurring in an outer suburban area - would go unnoticed; so that a type of game eventuated between the Police and the adolescents.'

20. John Mowat: *Nowhere to go and all me life to get there*, A Study of Adolescents of the Family Centre Project, (Brotherhood of St Laurence, 1975).

Not every family, however, dislikes their Housing Commission flat. Many families have expressed delight when they moved as they appreciated their kitchen, bath room and heating facilities. Some families liked the closeness of playmates for their children and others liked the panoramic view from the twentieth floor.

On occasions, a family living in private housing expressed surprise when they saw the standard of a Housing Commission flat and were immediately prompted to make application for themselves.

CONCLUSION

Provision should be made for low-income families to make a choice from a range of housing. The sections of the community who have the opportunity to purchase a house are not limited to a stereotype. Why should we expect low-income people's housing aspirations to be narrow?

4. STRATEGIES EMPLOYED IN THE FAMILY CENTRE PROJECT TO HELP LOW-INCOME PEOPLE

4.1 MONEY

Low-income people are lacking in money. Weekly income supplement payments were not always sufficient to meet debts which had accumulated over many years. Nor was it sufficient on its own to enable initial steps to be made towards housing improvement. The Family Centre Project outlayed almost \$10,000 in additional costs and grants to families in association with their housing.

4.11 Housing Commission Rent Arrears

As mentioned earlier, it is the policy of the Housing Commission not to allow previous tenants who have rent arrears to be eligible for Housing Commission accommodation until their arrears have been paid in full. For 13 of the families at the beginning of the Project, rent arrears to the Housing Commission were an impossible hurdle to being re-housed in public housing. With the aid of a very generous donation from an anonymous benefactor to the Family Centre Project, three grants from trust funds, and a small grant from the Family Centre Project's Dalpatrick Fund¹ a total of \$3,110 in rent arrears was paid for these 13 families. Eleven of these families have now, in fact, been re-housed in Housing Commission accommodation, and the remaining two, although they would prefer private accommodation, have submitted applications. At an average of \$240 per family, this is a small cost for the opportunity to at least choose between the private and public sector of housing. One

1. The Dalpatrick Fund was set up to assist families with housing costs such as bonds, rent, removal expenses, etc.

of these families will be considered in detail. It will become obvious that the burden of costs to the family in the following example of trying to remain 'afloat' in the private sector made saving for the payment of arrears for past accommodation an absolute impossibility.

Mrs C's family fell into arrears with their Housing Commission rent in 1972 when her husband went to gaol and she lived for three months without receiving her entitlement of a pension. The family survived on food vouchers from voluntary organizations. When she received a notice to quit she left the flat without going to court.

They boarded with relations where the woman and her three children all shared one bedroom. Life under crowded conditions causes tensions and anxiety. In desperation, Mrs C went in search of a house and found one which required a bond of \$130. The house, despite its rent of \$30, was unsatisfactory - it was damp, and she left after three weeks. Again, she was forced to board with relations, where all her pension was paid as board. She later moved on to other relations and boarded despite the inevitable conflicts brought about by imposing a family of three children on other people's lives. In March, 1974, she moved to a house which required no bond and rent of \$30 weekly. The house seemed like 'heaven' at first because it was a taste of independence, but after only a few days, the cracks in the floor, the lack of reliable hot water, poor kitchen and laundry facilities, became difficult to tolerate. From there, Mrs C used a bond of \$130 from the Dalpatrick Fund to find herself a private flat so that she could maintain her new-found independence and also be near the Family Centre. The rent was reasonable at \$23 but the neighbours were elderly and often complained about the children playing in the grounds of the block of flats.

In the meantime, in May, 1974, the Housing Commission rent arrears were paid by the benefactor mentioned above, so Mrs C knew that she would only have to wait until her opportunity came with the Housing Commission — a considerable wait of some nine months.

During the time between leaving the Housing Commission flat and being re-housed there, expenses involved in moving household possessions, bond, electricity and gas bonds were:

Bonds	\$ 268
Gas & Electricity bonds	30
Removal Expenses	<u>110</u>
	\$ 408

In addition, for some of the time Mrs C's rent was subsidized by the Family Centre Project income supplement scheme. She was entitled to a rent subsidy for 45 weeks while her rent was greater than 25 per cent of her supplemented income. The table illustrates the weekly rent paid by Mrs C and the Housing Commission rent she would have paid during that period.

Rent (\$) paid	\$30	\$23	\$23
No. of weeks	17	20	8
Housing Commission rent	\$7.40	\$7.40	\$10

Whilst these costs cannot be said to have been directly incurred by Mrs C, they were costs necessary to maintain housing stability before Housing Commission accommodation became available. Had the Family Centre Project rent subsidy not been available, Mrs C may have tried to pay these rents herself from her pension. She would then have been paying from \$15 to \$22 in excess of the

amount she would have paid in Housing Commission accommodation. For 45 weeks this would amount to at least \$800.

If we add the earlier costs of \$408, we reach the staggering amount of over \$1,200. This is twice the amount of rent arrears which were originally incurred by Mrs C, i.e. the burden trebled while the means provided to cope with it would normally have remained the same. The financial cost to Mrs C was not the only loss. There were the immeasurable costs: loss of self-esteem, loss of independence, numerous school changes for children, inability to enrol a pre-school child, and the health dangers when living in a state of anxiety for so long.

The Housing Commission policy of evicting families or forcing them to leave because of rent arrears, is a short-sighted one. Society will eventually have to support the families, a cost which will far exceed the amount of the arrears. It will either provide food vouchers, so that private rents can be paid, or it may have to support children in institutions. Ultimately, society increases its chance of also having to support the next generation of the family, because of the long-term un-stabilizing effect on the children's health, schooling and security.

The past experience of families of the Project indicates that the threat and fear of eviction, after the first notice to quit is issued, is very great. Many families leave their dwelling before legal action is complete without seeking a possible agreement with the Housing Commission. In the time between the notice and leaving, more arrears accumulate to add to their future burden.

4.12 Bonds

During the Project, use was made of a special housing fund - the Dalpatrick Fund. Families were able to apply to use it for housing needs. There were limits on its use which varied during the three years - originally there was an upper limit of \$100, which later had to be abandoned because of the severe rise in bonds required. Also, families were only able to use the funds once a year. Consideration was given to whether the family had made every effort to have a previous bond returned in determining whether they could have another one. Initially, the fund was used for urgent demands such as evictions, but later on in the Project, these demands diminished and new guidelines were set. These emphasized that the fund was only able to be used for purposes which were obviously going to develop the families' opportunities and improve their living standard. The difficulty in assessing whether a family's request was 'developmental' or not caused much anxiety and pressure to the people administering the fund.

Some families had learnt that return of bond was difficult, so they saved their rent for the last few weeks as a future bond, but this was only possible when plans to move were made sufficiently well ahead.

On some occasions, it was necessary to lend a bond to a family for a new house or flat while they awaited hopefully the return of the bond (from the previous agent or owner). This was a matter which often took up to two months to resolve.

The alternative would have been to save another bond, an impossible task on a low income, and a very unreasonable requirement when the bond money is, in fact, the property of the tenant. On other occasions, bond money was not returned to the tenant for very trivial reasons. This left the tenant with a debt to the person who had lent him bond money - another burden on an overtaxed income.

During the course of the Project, \$2,540 was paid in bonds from the Dalpatrick Fund on 32 different occasions. In seven of these cases rent in advance was also paid, as this can be another daunting demand before a tenancy is able to begin. In total, \$440 rent in advance was paid on 16 occasions when improvements to housing were made.

4.13 Removal Expenses

Low-income families rarely own their own car, consequently on 20 occasions it was necessary for removal expenses to be paid, and these amounted to well over \$600.

4.14 Gas & Electricity Connections

When a move to new housing is made, very often the electricity and gas either has to be reconnected, or a security deposit has to be made. In ten cases, an amount totalling \$189 was paid for families moving to new accommodation.

4.15 Crisis Payments

The major crisis payments are rent arrears. At the beginning, and during the first year of the Project, many families had accumulated rent arrears in their present accommodation. Consequently, payments were made to prevent evictions occurring. The Housing Commission was paid \$683 for 12 families, and \$884 was paid for nine private tenants. Frequently, the payment was made for the family so that a series of follow-up budget sessions could begin.

After 18 months, the fund ceased to be used for such purposes, and became a development fund. Rent arrears did occur, but they usually did not develop into crises, as families gained knowledge and confidence to resolve this problem with the assistance of the extra money of the income supplement scheme.

Another crisis payment needed was emergency accommodation after marital discord — usually only for one adult who had left the home. This was only needed four times. However, use was made of the Women's Movement Halfway Houses on occasions for women and children, but immediate payment was not a necessary condition of accessibility to this much needed facility.

Gas and electricity bills which had to be paid to prevent disconnection were demanded early in the Project. In fact, on 23 occasions, a total of \$507 was paid for these purposes, but later in the Project, these demands were not made as families benefited from long-term security of income from the income supplement and as their housing became stable. Budgetting sessions were undertaken, and these developed a planning capacity for individuals so that they were generally able to cope.

4.16 Other Payments

A family with debts beyond the means of their income spends a great amount of time and anxiety trying to 'juggle' their money to meet the creditor who is currently exerting the most pressure for that week. Low-income families do not have cheque accounts so they often attend to payments by presenting their cash in person, thus incurring travelling costs and dissipating energy. This situation is often impossible to relieve without a grant to ease at least some debts. It was felt that for some families the release from tedious debt payments would enable them the freedom to participate in the activities of the Project more fully and would enable them to use the financial resources more productively.

For this reason, tenants who had long-standing rent arrears which they were meeting by weekly or monthly payments had these debts paid. For two Housing Commission families an amount of \$346 was paid, and for three families, \$214 was paid to private landlords.

Table 9 below summarizes the enormous costs incurred by the Family Centre Project in improving and stabilizing the housing of 60 families.

TABLE 9: COSTS ASSOCIATED WITH HOUSING INCURRED BY THE FAMILY CENTRE PROJECT

Description of Expense	No. of occasions	Amount \$
<u>Expenses involved in finding new accommodation</u>		
Bond for new accommodation	32	2540
Rent in advance - new accommodation	16	440
Gas/electricity connection - new accommodation	10	189
Removal expenses	22	> 645
<u>Rent arrears in present accommodation</u>		
To prevent eviction from Housing Commission	12	683
To prevent eviction from private housing	9	884
To Housing Commission, to relieve family from burden of paying debt	2	346
To private landlord, to relieve family from burden of paying debt	3	214
<u>Gas/electricity to prevent disconnection, or to have re-connection</u>		
	23	507
<u>Miscellaneous (for paint, etc.)</u>		
	3	117
<u>Emergency Accommodation</u>		
	4	not known
<u>Rent arrears to Housing Commission to enable families to re-apply</u>		
	13	3110
TOTAL		\$ 9675 approx.

SUMMARY

Families who have existed in a state of poverty for many years need large outlays of money to give them a chance to get on their feet. A major area of concern is rent arrears to the Housing Commission for past tenants. Low-income families find the demands by landlords for bond and rent in advance beyond their means.

RECOMMENDATIONS IN BRIEF

1. Private tenants who are at present in arrears to the Housing Commission should be able to be re-accepted as tenants before their debts are paid. (See sub-section 5.1)
2. Bond payments for low-income tenants should become a concern of an Australian Government emergency payment scheme. (See sub-section 5.6)
3. A maximum should be set on the security deposit of two weeks' rent. (See sub-section 5.5)
4. Landlords should not be able to demand more than one week's rent in advance. (See sub-section 5.5)

4.2 FAMILY CENTRE RESOURCES

After some months of working in the Family Centre Project the staff decided that their most effective way of gaining understanding of the problems of low-income families and how to tackle these problems would be for each staff member to concentrate on one aspect of the families' needs.² Each staff member was assigned one of the areas of housing, employment, pre-school education, primary school education, legal matters and health.

The way in which the Housing Resource worker was able to assist families together with the value of the physical facilities of the Family Centre is described below.

4.21 Telephones

The Family Centre provided the facilities of telephones. This saved expenses in ringing agents. It also gave the resource worker the opportunity to teach the family member how to use the telephone effectively, as some had always relied on their feet to do the work in making inquiries about housing.

4.22 Transport

The Housing Resource worker and some other workers, were able to drive the family member around to look at houses — a luxury unknown to the low-income house searcher. This saved time and also opened up new areas for consideration and meant there was a possibility of being first to have a look at an advertised house.

2. For further discussion of method of working, see sub-section 2.2, 'Modes of Practice'.

The Centre also provided a utility vehicle which the families could request for moving purposes. One of the workers drove the vehicle as most people were not able to drive themselves, but the family members were requested to ask friends to assist with the furniture loading and unloading.

4.23 Liaison with Agents

The Housing Resource worker frequently had to act as a go-between between a family member and an agent. This occurred when the agent would not agree to rent the house or flat because he thought the income of the family member was too low. The Housing Resource worker in these cases tried to intervene by explaining that the family member would be getting a rent subsidy and income supplement and, therefore, would be able to manage the rent. Alternatively, it sometimes required a verbal guarantee that the resource worker would check with the family that they paid the rent regularly, and sometimes it required a written agreement to do this. Here is a letter written to one agent making such an undertaking:

'Dear Mr H,

Mrs B's income is \$83 per week clear. She has a very good record of rent payment which I am confident she will maintain.

I will personally make weekly contact with Mrs B to ensure that she keeps up with her rent payments.'

The Housing Resource worker also acted as a go-between when rent arrears occurred. The agent sometimes gave warning that some action should be taken to meet the arrears to avoid legal action. This was helpful if the arrears were not too great. This situation often revealed other difficulties for the family member such as hire purchase difficulties or family maintenance defaults upon which action could be taken.

4.24 Checking Rent Receipts

Frequently letters about rent arrears from agents or the Housing Commission were an apparent surprise and source of confusion to family members. Sometimes the technical wording had to be explained. One woman received a letter from the Housing Commission in which an amount of \$110 was mentioned. She immediately burst into tears and explained that she had paid the rent. The Housing Resource worker read the letter and explained to the woman that, in fact, the letter announced that she was \$110 in advance!

Other letters about rent arrears needed careful checking with rent receipts. This confusion arose when rents were increased, or when rent rebates with the Housing Commission changed. Housing Commission rent receipts only reveal the date and amount of payments but contain no statement of the rent rate or the week which the payment covers. Therefore, it is extremely easy to become confused and almost impossible to sort out. It often took a considerable amount of time to sit down with the calendar and work out from receipts and statements of rent rises and rebate alterations whether or not the family member was up to date. This also involved phone calls to the rebate section of the Housing Commission to check on dates at which rebates were applicable.

An attempt was made to issue all Housing Commission tenants with a rent record folder so that they could record the actual week which their rent covered, together with a record of any credits or debits to date. This was not highly successful, probably because the record should be made at the time of payment. It is the responsibility of the Housing Commission to issue tenants with the following information at each rent payment: a statement of current rent rate, rebate availability, arrears or credits and date and amount of the rent payment.

4.25 Housing Commission Contact

Contact was made with the Housing Commission on behalf of family members to ascertain the progress of their applications and interviews. In some cases, success was achieved in hurrying through applications. Family members were encouraged themselves to make contact, but some were too intimidated even to phone through a change of address or confirm an interview date.

Family members were also informed of the welfare section of the Housing Commission and were encouraged to present themselves to this section if the need arose. On some occasions, the Housing Resource worker made contact with this section on behalf of family members. Contacts on behalf of Housing Commission tenants was made initially to make agreements to meet rent arrears to avoid eviction. This need diminished with time, as family members became more confident to do this themselves, and as they learnt to take action early enough if rent problems arose.

Once Housing Commission personnel came to be known, family members were directed to the person most likely to meet their needs — whether they concerned rent rebates, rent difficulties, applications for transfer, or complaints.

4.26 Application Forms

The filling in of a Housing Commission application form is, for some people, rather daunting. Help was given with this, and encouragement to submit these for the future. Family members were told where a nearby J.P. or Commissioner for Affidavits could be found, so that it could be finalized and sent in. After several applications had been lost in the mail, family members were encouraged to take their forms in to the Housing Commission or send them by registered mail.

All family members who, in the future, may be able to purchase a Housing Commission house were encouraged to submit applications no matter how improbable the possibility seemed at the time. A few responded to constant reminders about this, but others felt that the four-year waiting period was so distant that they could not visualize their circumstances at that time.

There is an urgent need in the community for Housing Commission tenants to have the services of welfare rights workers readily available to them for the supply of information on the appropriate Housing Commission officer dealing with their problem — rent rebates, application form and rent arrears procedures.

4.27 Planning

Families were given assistance in trying to plan their housing needs so that they could utilize fully the facilities of the Project, such as rent subsidy, income supplement, and knowledge about the Housing Commission. These discussions included the necessity of meeting the need for stable schooling for children — a factor which previously, of necessity, had been secondary, as moves were made in response to a crisis.

4.28 House Purchase

When ever the idea of buying a house was mentioned, the families expressed their realization that while rent was being paid out they could be paying off a house. One family very early in the Project made arrangements for a loan for a deposit and principal from an employees' credit union. The family backed out even after finding a suitable house, because of fear that they would not be able to meet the massive commitment.

A major housing finance company approached the Family Centre to test the practicality of making loans to families at lower than market value interest. Negotiations went on for several months on issues such as the feasibility of making loans for houses without deposits, the value of houses able to be considered, delayed repayment schemes which started at one third of the income and increased with time as wages rose, the income lower limit, insurance cover for the lending body, and how many families should be able to participate. Eventually, a plan was laid to enable a lending scheme to get underway with the following restrictions: 12 families could participate; the minimum family income (net) had to be \$84, of which 33 per cent could be paid towards weekly repayments; the maximum loan would be for \$15,000, providing no more than 95 per cent of the assessed value of the house was borrowed; a delayed repayment scheme would enable payments to start at \$28 in the first year, \$30 in the second year, \$32 in the third year, \$37 in the fourth year and so on; the interest rate was set at 3 per cent below the market rate; finally, a personal loan would bridge the gap between finance and capital required, and would cover rates, legal, and other costs.

Twelve families at some stage showed interest in the scheme, but five were pensioner women, and had to be eliminated because their income was too low, even though three were very young and had a strong motivation to buy. Three or four maintained a strong interest in the scheme, as it developed over several months, although the interest fluctuated as talk about bad economic times increased in the community.

The economic conditions did affect the lending body, and it ultimately withdrew its interest in the scheme; at first temporarily but then finally. It is suspected that the economic situation was an excuse for withdrawal from a very delicate situation which had inherent risks previously unknown to such a lending authority.

The families did not appear to express enormous disappointment. This could have been because their entire lives have been spent enduring setbacks and disappointments. Also, they could have been nurturing a fear that all the costs on such a low income would demand stamina and struggling for too many years in uncertain economic conditions — certainly, a very valid fear, and one all too well-felt by the Housing Resource staff. Talk of unemployment and interest rate instability were unsettling. Any increase in interest rate could have been crippling on top of the other costs of rates, stamp duty and the essential repairs and maintenance which would have been necessary on the type of old house which the families could only have afforded.

Some of the families could avail themselves of an income-g geared mortgage loan often mooted by governments. At least they could feel security that they were not isolated 'guinea pigs' but part of a large scale project with government backing.

SUMMARY

Private tenants needed access to telephones, transport, advice on housing availability. Housing Commission tenants also needed advice and assistance in making applications to the Housing Commission and with understanding rent receipts and rebate systems. Some showed persistent interest in an opportunity for house purchase.

RECOMMENDATIONS IN BRIEF

1. The Housing Commission Tenants' Union should be assisted to disseminate information about rent rebates, rent arrears procedures, and assist with application forms. (See sub-section 5.1)
2. The rent receipt issued by the Housing Commission should be improved. (See sub-section 5.1)
3. If a delayed mortgage repayment scheme could be introduced with government initiative and support, many low-income families would take advantage of this opportunity. (See sub-section 5.8)

4.3 COMMUNITY FACILITIES

Apart from resources within the Family Centre, facilities in the community were used by the families to deal with their housing needs.

The major facility was the Legal Service of the Tenants' Union of Victoria. The Halfway House run by the Women's Half-Way House Collective³ was also valuable.

4.31 Tenants' Union of Victoria: Legal and Advice Service⁴

During 1974, the inadequacy of legal advice and protection for tenants became a growing concern of a group of solicitors, community

3. Address and further details available in Appendix B.

4. Ibid.

workers and interested individuals. With the initial voluntary work and enthusiasm of one solicitor, a legal and advice service was established in the building of the Brotherhood of St Laurence in Fitzroy. Funds have been provided for a limited time by a private trust. The service has now grown to one operated in normal office hours and one evening of the week and is manned by two solicitors, office staff and nine volunteer solicitors. Legal advice is given free and tenants are able to have legal representation.

This service has been of great assistance to families. Few tenants have had to face the intimidating court procedure, as they have been able to gain their rights through the actions of a solicitor or through phone calls or letters. Bond return has improved, though the time taken is still a serious impediment and inhibits planning, as mentioned earlier. The friendly, sympathetic and courteous manner in which assistance is given has increased the family members' confidence in dealing themselves with tenancy problems through legal channels. The fact that the office exists on almost 'homeground' in the main Brotherhood of St Laurence building influences the willingness of families to utilize this service.

4.32 Half-Way Houses for Women

Whether the rent is paid or not, marital strife can occur at any time and the need for emergency housing for a mother and her children away from home is urgent. When strife did occur the families' friendship network, which developed within the Project, was an important backstop for emergency shelter. However, there were occasions when it was necessary for the family to move right away from the area, and feel secure temporarily in order to properly organize a permanent family breakup.

The Women's Half-Way House Collective's facilities were ideal on two occasions, however, there was some reluctance at asking this group for

help when their funds are so limited by comparison with the funds of the Family Centre. There frequently was no alternative. Because of excessive demand by the community on this service, families were not able to stay as long as would have been desirable, or were unable to get in at the time of need because they were already overloaded. This either forced women and children prematurely back into an explosive situation, or forced women to tolerate unbearable pressure. The development of shelters for protection for families is absolutely essential.

RECOMMENDATIONS IN BRIEF

1. A legal and advice service on tenancy matters for people without financial means should be recognized as the responsibility of the Australian Government. (See sub-section 5.5)
2. Emergency shelters for women and children in crisis should become a government sponsored community responsibility. (See sub-section 5.2)

5. DISCUSSION AND RECOMMENDATIONS

5.1 HOUSING COMMISSION TENANTS —

IMPROVED STATUS & RIGHTS AND INFORMATION

The Housing Commission Tenants' Union is an organization of tenants of Housing Commission accommodation. Their aim is to gain the right for tenants to have a voice to influence the policies of the Housing Commission. They are working to improve the tenants' legal rights with regard to leases, evictions and rent rises, and to improve the quality and maintenance of facilities for tenants. They very firmly believe that the status of tenants must be improved in the community.

* *The State Government and Housing Commission should give support to tenants' committees, such as the presently existing Housing Commission Tenants' Union. The Poverty Inquiry has suggested that 'tenants' associations can and should be encouraged to express grievances, to disseminate knowledge of tenants' rights', and 'to discuss problems of running an estate'.¹*

* *The Housing Commission Tenants' Union should be assisted to disseminate information about rent rebates, rent arrears procedures, and assist with application forms — areas which are not satisfactorily dealt with at present.*

* *The rent receipt issued by the Housing Commission should be improved to supply information on rental credits, arrears, rebated and current rates, together with the date and amount of payment. Until this is done many tenants will remain confused and unduly anxious about*

1. Prof. R.F. Henderson: *Poverty in Australia*, Commission of Inquiry into Poverty, First Main Report, April, 1975. (AGPS, Canberra, 1975), p. 169.

whether or not their rent is up to date and even about what rent they should be paying.

* *Housing Commission tenants should be informed of the Housing Commission policy concerning rent arrears.* Past experience of the families of the Family Centre Project suggest that many tenants leave their house unnecessarily because of fear of legal procedures and eviction.

* *The steps taken by the Housing Commission in handling rent arrears are in need of reform.* A submission of Fitzroy Ecumenical Centre to the Poverty Inquiry states five principles which should be followed:

1. Notification of arrears, in multi-lingual form, accompanied by rebate information, should take place as soon as possible.
2. Correspondence should be sympathetic, never threatening and should encourage tenants to seek advice.
3. No attempt should be made to recover arrears until the tenant is out of financial difficulty, his situation being independently and sympathetically determined.
4. Negotiations should be possible at all stages.
5. The tenant should not be liable for the cost of inappropriate and ineffective legal procedures or for arrears incurred as a result of an imperfectly understood agreement or non-receipt of income or rebate entitlements.¹²

The eviction of a family in financial and social crisis is absurd, as ultimately society will pay the cost by supporting the family in some

¹² *Consumer Views on Welfare Services and Rented Housing*, (AGPS, Canberra, 1975), p. 76.

other way. The long-term effects will be experienced by the children as the next generation of adults.

* *Private tenants who are at present in arrears to the Housing Commission should be able to be re-accepted as tenants before their debts are paid.* Arrangements for easy repayments to the Commission should be accepted, or, alternatively, debt payment in part or in full could be made by the Social Security Department to the Housing Commission as part of its welfare program for families in need. The experience of the Family Centre Project has been that of 13 families who have had their past debts to the Commission paid, 11 have used the opportunity to re-apply for a tenancy and are currently coping with Housing Commission accommodation. Their experiences between being forced to leave and being re-housed have been severe and will have a lasting impact on the children who have had to tolerate that misfortune.

5.2 ACCOMMODATION AFTER A FAMILY CONFLICT

When a family conflict occurs, accommodation for the two fragments of the family is necessary at very short notice. The example of the Women's Centre Half-Way House Collective is worthy of following. It provides the opportunity for security for a few days or weeks, so that plans can be made for the future. The community should not depend on a voluntary service any longer now that the needs and value of the facility have been demonstrated.

* *Emergency shelters for women and children in crisis should become a government sponsored community responsibility.*

When a conflict occurs in a Housing Commission family, it is tragic that valuable low-priced housing is lost to a woman and children if they are forced to leave the family abode. A woman and children suddenly

separated from their husband and father are eligible for Family Assistance payment from the State Social Welfare Department. For many families this will involve a drastic cut in income on which it is difficult enough to survive without having to pay private rents for a long period while they wait their turn on a long Housing Commission list.

* *Priority should be given by the Housing Commission to re-housing separated families once their situation has established.*

5.3 QUALITY AND QUANTITY OF INNER SUBURBAN HOUSING

It is apparent from the Project families that nearly all would prefer to live in the familiar inner-suburban area. The Housing Commission tenants who lived temporarily in reclaimed Housing Commission houses before being transferred to flats, showed an overwhelming preference for this type of housing, despite its rather inadequate facilities in many cases. The tenants who moved to Broadmeadows, Heidelberg and Reservoir to a rented house, did so reluctantly as most would have preferred the inner-suburban area. Some families persisted in paying high rents in inner-suburban houses rather than avail themselves of the opportunity to rent flats.

These points give strength to the need for the retention of inner-suburban houses for low-income tenants. This can be done in two ways. Firstly, the Housing Commission should modestly renovate existing houses they own, and rent them to families. (The Housing Commission at present is embarking on a project of restoring some of these houses to a very extravagant standard, so that they can be sold on the open market, which excludes low-income families. This is a very serious loss of housing stock which in the past belonged to low-income families and should continue to be made available for Housing Commission tenants.)

- * Further purchases should be made by the Housing Commission of suitable existing houses for rent in the inner suburbs.
- * Secondly, cost-rent housing associations as an alternative offer a new initiative for the preservation of a stock of low-income housing scattered throughout inner-suburban areas. The development and support of the Fitzroy-Collingwood Cost-Rent Housing Association³ will hopefully be a valuable forerunner of future similar projects.

Many of the families of the Project who felt ambivalent about house buying ventures have been very positive towards suggestions of being able to rent the same house at reasonable rent for the rest of their lives. A Cost-Rent Housing Association would enable tenants to have a co-operative share in the Association which purchases houses and leases them at rents commensurate with income of the tenant. The tenant would be able to do maintenance and improve the house as if it were his own. He would be able to live in an inner-suburban area. He would be protected against eviction at the whim of the landlord. He would only have rent rises as his wages rose. He would not have to consider increasing his family size to be eligible for a house instead of a flat with the Housing Commission. He would have a right to have a say in the administration of his housing association. His children would know they could stay at the same school at each stage of their education. He would be able to have a garden and pets. His neighbours would be friends, but his life would be separate and private, with no noise or disturbance impinging on his life from the next door flat or the one above or below. In short, a housing association could provide most of the benefits enjoyed by the 'average Australian home owner'.

3. Publications regarding cost-rent housing associations are listed in Appendix A.

5.4 HOUSING ADVICE AND INFORMATION SERVICE

The experience of the Family Centre Project illustrates the demand for facilities to assist people seeking private rental accommodation — as the task involves time, cost, transport and, most importantly, the need for information on availability and quality of housing.

The Commission of Inquiry into Poverty of April, 1975, suggests that *an experimental Housing Information Centre should be established*. It is suggested that a central register should be kept of the price, size, quality and access to transport of available rental, board and hostel accommodation. As the information service will not manage properties, nor select a tenant from those applying, it will not duplicate the role of estate agents.⁴

5.5 LEGAL ASSISTANCE AND LAW REFORM

The Tenants' Union of Victoria⁵ has been established as an independent organization seeking to improve the status of tenants by offering legal and housing advice and working towards the reformation of the law to protect the tenant.

The Legal Service of the Tenants' Union of Victoria has been invaluable. Tenants lack information about their legal rights on matters such as eviction, leases and privacy. The development and support of this legal service is essential, so that tenants through Melbourne can avail themselves of the service.

4. *Poverty in Australia*, op. cit., p. 174.

5. Address and details available in Appendix B.

* *A legal and advice service on tenancy matters for people without financial means should be recognized as the responsibility of the Australian Government, and should not have to rely for its existence on voluntary manpower and funds from private grants.*

The landlord-tenant law is a 'scandal' in the words of Mr Adrian Bradbrooke in a submission to the Poverty Inquiry.⁶

'In its policy on housing the Australian Government has pledged "to ensure every family can secure accommodation of its own choosing, appropriate to its own needs". While Australian laws continue to condone sub-standard accommodation, arbitrary eviction, excessive rents and oppressive leases, they represent a substantial obstacle to the accomplishment of this goal. Worse, they perpetuate a national disadvantaged class in housing.'⁷

The most urgent areas of reform for low-income tenants concern security bonds and rent in advance.

* *Bond money should be held by an independent person or body.*

The Bradbrooke report to the Poverty Inquiry has suggested the establishment of a Residential Tenancies Board,⁸ which would act as an arbitration tribunal. It has suggested that *a maximum be set on the security deposit of two weeks' rent.*⁹

6. *Poverty and the Residential Landlord-Tenant Relationship*, Final Report, op. cit.

7. *Rental Housing Law and Social Responsibility*, op. cit., p. 23.

8. *Poverty and the Residential Landlord-Tenant Relationship*, Final Report, op. cit., p. 44.

9. *Ibid.*

Alternatively, bond money could become a matter under the jurisdiction of the Small Claims Tribunal of the State Department of Consumer Affairs. This has become the case in Western Australia.¹⁰

* *Landlords should not be able to demand more than one week's rent in advance.* This would assist the low-income tenants who can only manage to pay rent the day the pension or pay cheque is received. The introduction of a lease which is fair to both the landlord and tenant should be considered for trial.¹¹ Legislative changes are necessary to offer protection to tenants from arbitrary rent rises, without sufficient notice in writing to enable the tenant to find alternative accommodation, to ensure adequate maintenance of his premises by the landlord, and protect the tenant from eviction without adequate notice.

* The Bradbrooke report says that *the tenant's right to maintenance of services should be guaranteed* by giving tenants the right to pay their rent to the residential Tenancies Board when services are not restored by the landlord. The Board would then be empowered to pay for the restoration of the service from the rent thus received.¹²

5.6 MONEY IN A CRISIS

Until the tenant is protected from excessive bonds and rent in advance and until he is entitled to a fair and speedy assessment of his entitlement to have his bond returned, the choice for the low-income tenant in the private sector is severely limited.

10. Law Reform Commission of Western Australia, *Report on Tenancy Boards*, Project No. 41, 17th January, 1975, and Tenants' Union of Victoria, *Report for the N.S.W. Ministry of Consumer Affairs on Residential Tenancies*, 1975.

11. The Tenants' Union of Victoria has prepared a model lease. The address to contact is in Appendix B.

12. *Poverty and the Residential Landlord-Tenant Relationship*, op. cit. p. 49

* Bond payments for low-income tenants should become a concern of an Australian Government emergency payment scheme, similar to that suggested by the Poverty Inquiry to relieve voluntary agencies from many emergency payments.¹³ The payments should be considered as part of the provision of housing for the low-income community. This would be consistent with the Australian Government housing policy which stresses the need to rescue households or individuals at some point of crisis.

* The Housing Commission policy should allow rent rebate to be paid to people immediately they become unemployed. The current policy that a person must be unemployed for a continuous period of four weeks and be receiving appropriate allowances (Social Security Unemployment/Sickness Benefit or Workers' Compensation) before a rebate is granted only exacerbates an already critical financial situation.

5.7 FINANCIAL MEANS TO MAKE A CHOICE

As mentioned earlier in sub-section 3.4 of this report, the Poverty Inquiry found that only a small proportion of those below the poverty line are in Housing Commission accommodation. This was confirmed by the Family Centre Project which found that only one third of the families were in public housing at the beginning of the Project.

A greater stock of public housing would be necessary to assist more families to live in a house if they desire this rather than a flat. More public housing would be needed to reduce the enormous time of nine to twelve months on waiting lists.¹⁴

13. *Poverty in Australia*, op. cit., p. 54; also: David Griffiths: *Emergency Relief*, Social Welfare Commission, April, 1975.

14. Purchase of existing housing stock by the Housing Commission and housing associations have been discussed earlier in this section.

If the Australian Government is to pay more than lip-service to a housing policy which aims to redistribute to the poor by providing habitation at concessional prices and rentals, then alternative ways of assisting low-income people with housing must be investigated, and speedily.

Many families of the Project have demonstrated their ability to pay relatively high rents in the open market once they are given the financial means to meet these costs. Realistically, many have been forced to forego this pleasure as the Project facilities of income supplement and rent subsidy drew to an end. Lack of money gives the low-income family no choice in their type of housing.

In an early report on the Income Supplement Scheme of the Family Centre Project¹⁵ it was stated that 'a guaranteed minimum income is a necessary precondition for families to plan and improve their life-style'.

* *The Poverty Inquiry argues that a guaranteed minimum income should be introduced as quickly as possible.*

The Poverty Inquiry also suggested that financial assistance to renters must be in a form which would not result in the benefit being passed on to their landlord in higher rents.

* *The Inquiry suggested that Supplementary Assistance to pensioners should be increased and for people with an income less than the poverty line a weekly flat rate rent allowance should be paid annually as a tax credit. This would help to redress the imbalance of tax assistance to house buyers through rate, land tax and mortgage interest deductions.*

15. *Resources for Poor Families: An Experimental Income Supplement Scheme*, op. cit., p. 82.

The Poverty Inquiry felt that rent supplement related to rent paid would result in a flow on to increased rents.

The Australian Government Priorities Review Staff has, however, suggested that if a means of guaranteed minimum income is not adopted then a means-tested voucher could be introduced for those on low incomes. The vouchers could be used for renting or purchasing accommodation from the public or private suppliers, both of whom would charge market rents.¹⁶

An experimental housing voucher scheme would be worthy of attention. Certainly, the voucher system could have a great deal of merit for low-income people wishing to purchase a house.

5.8 HOUSE PURCHASE

Many families of the Project showed a keen interest in the possibility and economics of house purchase instead of renting.

* *If a delayed mortgage repayment scheme could be introduced with government initiative and support, many low-income families would take advantage of this opportunity.* A scheme along the lines of the one suggested in the Commission of Inquiry into Poverty would enable housing loan repayments to be made at equivalent rates to those charged for much privately rented accommodation. The subsidy involved from the government would be much smaller in the long run than that provided already for low-interest house purchase from the Housing Commission.¹⁷

* The Poverty Inquiry suggested that the Federal Government should *'arrange with the Reserve Bank to provide subsidies through the savings banks to people whose low incomes prevent them from meeting the*

16. Priorities Review Staff: *Report on Housing*, op. cit. p. 100.

17. *Poverty in Australia*: op. cit. Table 10.11, p. 173.

banks' normal repayment conditions. The objective of the fund is to enable loans to be made to low-income families on the basis that their repayments will start at a low level and then increase as their money incomes rise'.¹⁸

Some suggested loan amounts and rates of interest as presented in the Poverty Inquiry Report are given below.

TABLE 10: LOAN OF \$15,000 TO FAMILY WITH INCOME OF \$60 PER WEEK INCREASING AT 5% p.a.^(a)

Year	Principal outstanding \$	Weekly interest at 8% \$	Weekly repayments (25% of income) \$	Weekly Govt subsidy \$	Effective rate of interest %
1	15,000	23.08	15.00	8.08	5.2
2	15,000	23.08	18.23	4.85	6.3
9	15,000	23.08	22.15	0.92	7.7
13	14,779	22.73	26.92	-	8.0
17	13,338	20.52	32.73	-	8.0
21	9,922	15.27	38.79	-	8.0
25	3,501	5.38	48.36	-	8.0

(a) *Poverty in Australia*: Table 10.9, p. 172.

Such a scheme would be more attractive with provision for grants to cover conveyancing fees and rates and taxes for the first few years.

Given the development of this scheme, low-income families would have the right to choose the type of housing they prefer, a choice which all other Australians accept as their right, but which — at present — is in reality, a privilege.

¹⁸. *Ibid.* pp. 170-171.

APPENDIX A

BROTHERHOOD OF ST LAURENCE: FAMILY CENTRE PROJECT REPORTSProgress Reports

- Concetta Benn: The Family Centre Project.
Brotherhood of St Laurence Project Report
- First Progress Report, November, 1972
 - Second Progress Report, June, 1973
 - Third Progress Report, December, 1973
 - Fourth Progress Report, June, 1974
 - Fifth Progress Report, December, 1974
 - Sixth Progress Report, November, 1975

Discussion Papers

- Michael Liffman: *Boots and Bootstraps*, A discussion paper on some aspects of poverty. Brotherhood of St Laurence, 1975
- John Mowat: *Nowhere To Go And All Me Life To Get There*. A study of adolescents in the Family Centre. Brotherhood of St Laurence, 1975

Research Reports

- Michael Liffman: *The Family Centre Project: A First Overview*. Brotherhood of St. Laurence, July, 1974
- Michael Liffman & Jan Salmon: *The Family Centre Project: A Second Overview*. Brotherhood of St Laurence, 1975
- Jan Salmon: *The No-Collar Workers*. A study of the work patterns of members of the Family Centre, August, 1975

OTHER PUBLICATIONS

- David Scott: *Cost-Rental Housing Associations - a new initiative to meet housing need*. Brotherhood of St Laurence, 1975
- 'Shelter' Cost-Rent Housing Association Forum, June, 1975.
(Available from 292 Wellington Street, Collingwood Collingwood, 3066. Phone: 419-3555)

