

Australian Government Productivity Commission

National Housing and Homelessness Agreement Review

Submission by



Contact

Sue Cooke
Executive Director, Anglicare Southern Queensland

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This submission may be quoted in public documents.

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Introduction

Anglicare Southern Queensland welcomes the invitation to make a submission to the Productivity Commission's review of the National Housing and Homelessness Agreement (NHHA).

We bring to this submission the direct experience and expertise of Anglicare Southern Queensland staff in delivering more than 25,000 hours of accommodation and/or support for young people and women experiencing homelessness each year.

Our submission emphasises, and urges the Committee to consider, a rights-based, strategic national policy approach and associated funding to address the housing crisis now and into the future. Siloed, disconnected action is not sufficient to address the challenges we face.

We also note again that a core problem in the broader environment in which the NHHA operates is income insufficiency. Income support measures such as JobSeeker and Commonwealth Rent Assistance remain inadequate for those in need, particularly at a time when COVID is impacting on housing availability, surging rents, the looming termination of NRAS subsidies, and lengthy wait lists for social housing.

In short, we endorse a comment made by Homelessness Australia in their January 2022 election platform document. Making homelessness rare requires four things: enough income to live on with dignity; housing that is available and affordable on that income; reduced housing stress that flows through into reduced family violence and breakdown; and support for those who need it to obtain or maintain a home.¹

The crisis

Despite not being a community housing provider, Anglicare SQ staff see daily the impacts of the housing crisis. The situation has been particularly dire during the pandemic, as we see the signs of housing stress spread further into the community. There have been rising rates of domestic violence and family breakdown; and the pressure on emergency relief and homelessness services has never been so intense. Anglicare's annual *Rental Affordability Snapshot* has underlined the dire lack of affordable rental accommodation for those on low incomes for more than a decade now, and the situation is only becoming bleaker.² Recent media highlighted the lack of accommodation not only for those historically 'in need', but

Anglicare SQ homelessness services

- Homelessness Services Women and Families (HSWF) at Toowong in Brisbane offers temporary accommodation and support for women aged 16-25 years and their children. It also runs an outreach service for women living in community accommodation to support them to transition into the next stage of housing.
- INSYNC Youth Services are focused on early intervention young people 16–25 years at the risk of homelessness; crisis accommodation and support; and long term positive housing outcomes. A range of programs operate at Beenleigh, Cleveland and Mt Gravatt.

also those in the workforce, particularly in the vital community, hospitality and retail sectors.³ Our own Emergency Relief staff are seeing an increasingly diverse clientele, with former small business owners who have never recovered from the first COVID lockdowns, retirees driven out of private rentals by exorbitant rent rises, and families with children who have been blacklisted for non-payment of rent now living in their cars. An increasing number of people are also presenting as experiencing long term homelessness, having been homeless for six–twelve months or more, since the beginning of the pandemic.

Such a situation creates intergenerational disadvantage that weakens the social and economic fabric of our community at all levels.

Improving the NHHA

1. A rights-based framework

All Australians, regardless of their circumstances, have the right to safe and affordable housing. This foundational point should be explicit in the NHHA.

The objective of the current NHHA — *to contribute to improving access to affordable, safe and sustainable housing across the housing spectrum, including to prevent and address homelessness, and to support social and economic participation* — fails to acknowledge the rights base of such ‘contributions’. It effectively disconnects the ‘what’ and ‘how’ from the ‘why’ of the Agreement, allowing gaps to emerge that directly impact people’s wellbeing.

Rights-based language makes clear our priorities, ascribes value to housing as a human right, and sets expectations for the ways in which programs and services should be delivered. As Compass Housing note in their 2021 report, *Meeting Social Housing Need: A Tipping Point for Federal Intervention*, for example, it is clear from the COVID pandemic response that governments can always find funding for what emerges as a priority:

Through this lens we can see that the Commonwealth’s ongoing reluctance to invest in social housing is a question of priorities, not a question of solvency.⁴

The recent Canadian *National Housing Strategy Act* (2019) provides a valuable example of the way in which human rights should frame national action on housing, and it is worth quoting in full from the Preamble to the Act, as follows:

Whereas housing is essential to the inherent dignity and well-being of the person and to building sustainable and inclusive communities as well as a strong national economy in which the people of Canada can prosper and thrive;

Whereas access to affordable housing contributes to achieving beneficial social, economic, health and environmental outcomes;

Whereas improved housing outcomes are best achieved through cooperation between governments and civil society as well as the meaningful involvement of local communities;

Whereas national goals, timelines and initiatives relating to housing and homelessness are essential to improving the quality of life of the people of Canada, particularly persons in greatest need;

Whereas a national housing strategy would support a common vision, key principles and a coordinated approach to achieving improved housing outcomes;

Whereas a national housing strategy would contribute to meeting the Sustainable Development Goals of the United Nations;

And whereas a national housing strategy would support the progressive realization of the right to adequate housing as recognized in the International Covenant on Economic, Social and Cultural Rights, to which Canada is a party...⁵

2. A national housing strategy

Australians urgently need the Federal Government to step back into the housing space and take action — not in a piecemeal way, but via a coherent cross-jurisdictional approach that provides a national strategy, further funded action, and targeted incentives to address the housing crisis now and into the future. This development and implementation of the strategy should be the responsibility of a Commonwealth Minister for Housing.

There is a range of ways this could be approached. The NHHA could be subsumed completely within a national strategy, the whole re-envisaged as a comprehensive, evidence-based policy and plan for action. If the NHHA were to keep its distinctiveness as a discrete agreement with a long history, it could be considered a tool by which funding is distributed under a National Housing Strategy, which would provide the policy umbrella, driver and coordination role.

Regardless, we could take note of key elements of the Canadian National Housing Strategy⁶ that includes, as above, a rights-based approach to housing; integration with social infrastructure and programs that impact housing, such as healthcare, transport and cultural and recreational facilities and investment;⁷ multi-jurisdictional and cross sectoral partnerships; and evidence-based programs that draw extensively on lived experience and the principle of ‘nothing about us, without us’.



Figure 1: Principles of the Canadian National Housing Strategy⁸

3. A lesson from the COVID response: Housing First

A comprehensive, coordinated rights-based approach as outlined in the sections above will ensure that support for those most at risk — the most vulnerable Australians — is front and centre.

The urgent response of several state and territory governments in making emergency housing (eg student and hotel accommodation) available to people sleeping rough during the first COVID outbreak suggests recognition of the value of a 'Housing First' model.

Previous Housing First trials have shown that the combination of housing, assertive outreach and ongoing flexible support had overwhelmingly positive and sustainable outcomes for people sleeping rough.^{9 10}

Despite the successes of the trials mentioned above, and the opportunity offered by the more recent COVID-triggered precedent in 2020, there is still no national framework that supports a Housing First approach.

The model is under-funded, and implemented through discrete, geographically haphazard, programs offered largely by not-for-profit organisations. As Homelessness Australia point out, we have "a situation where we know how to end rough sleeping for good, but we only do so in certain parts of the country".¹¹

In Finland, homeless policies have been based on a Housing First approach since 2008. It is the only country in the European Union with decreasing homelessness numbers and almost no people sleeping rough.¹² Researcher Andrew Clarke points out that Housing First has been implemented in Finland as "a system wide reform program rather than as a discrete program operating within an unchanged system".¹³ Its status as a mainstream

national homelessness policy and common framework supported the establishment of diverse partnerships between state authorities, local communities and non-governmental organisations, with targeted measures made possible by cooperation.¹⁴

In Australia, the homelessness sector is under such pressure that people in desperate need are being turned away. Our staff shared the story of a woman in a major regional centre who has terminal cancer, and is fleeing domestic violence. She and her children lived in a caravan until that became unaffordable and, despite approaches to every possible support agency, are now living in her car. Her greatest fear is that her children will wake up one morning in the car next to her body. This – in one of the wealthiest countries in the world.

While this situation is particularly tragic, it is unfortunately not exceptional. The most recent *Report on Government Services (2020–21)* shows that nearly one-third (32.3%) of people across the country experiencing homelessness with an identified need for housing were not provided with accommodation — they were, in fact, turned away at the door. In New South Wales, the proportion is 48.2%; and in Queensland, 35.9%.¹⁵ Behind every one of these somewhat abstract figures is an individual or a family like the one above.

We need an immediate boost to the funding for specialist homelessness services to address the turn away rate. This should comprise an increase to base funding, so that services have the stability to be able to plan ahead and retain staff; but should also allow for 'surges' of demand. As Anglicare Australia have pointed out, people do not find themselves homeless in a neatly spaced-out fashion. Demand is often 'lumpy' and irregular, and services need the capacity to fund additional shifts or brokerage as required. No one in need should be turned away to sleep rough, or in an unsafe environment.

4. Addressing the critical shortage of affordable and social housing

No homelessness program or programs will address the housing crisis, however, without a simultaneous investment in social and affordable housing. Researchers Hal Pawson and Cameron Parsell note that of the 116,000 Australians experiencing homeless counted by the 2016 Census, 8,000 were sleeping rough.¹⁶ Vastly larger numbers of the 'hidden homeless' couch-surf, sleep in their cars, or hope for a bed in limited crisis accommodation. Pawson and Parsell point out that:

Crucially, homelessness cannot be overcome purely through better management and co-ordination of existing services. Nor can it be seriously tackled by state/territory governments without federal support.... We have to reduce reliance on band-aid interventions that are costly and, at best, only lessen the harm. Homelessness is bad for health and for our society at all times, not just during pandemics.

Modelling from a UNSW City Futures Research Centre report estimates current unmet need for social and affordable housing Australia-wide at 650,000 homes, with another 370,000 homes needed in the next 15 years.¹⁷

As Pawson and Parsell go on to note, even with ramped-up assistance programs, the states lack the capacity to cope with this level of need. They argue that that the Commonwealth must use its greater budget capacity — “more than the combined resources of the states and territories” — to invest in building new social housing, and to begin to make up for inaction over the past two or more decades that has seen only 2,000–3,000 social housing units built per year.¹⁸

There are multiple options for funding new supply. The Grattan Institute’s work on housing affordability has included, among other recommendations, proposals for a social housing Future Fund,¹⁹ which is the model adopted by the ALP for the proposed \$10 billion Housing Australia Future Fund;²⁰ as well as a shared equity scheme targeted at low income singles and couples.²¹

A further option developed by the Constellation Project consortium,²² the ‘Housing Boost Aggregator’, proposes a strategy to support community housing organisations to close the funding gap for new housing developments.²³

Internationally, there are numerous other models that could be adapted to an Australian context.

Almost irrespective of the form it takes, Federal investment in social housing is a win–win for homes, jobs, communities and Government. It addresses the urgent issue of housing, creates jobs and supports business, contributes to the wellbeing of communities and reduces the flow-on financial impacts on Government in terms of costs associated with homelessness, poor physical and mental health, unemployment and other negative life outcomes.

Equally, Federal investment in people’s lives by keeping them out of poverty can only help to shape society for the better.

5. Adequate income support keeps people out of poverty

The Coronavirus Supplement was introduced in 2020 to support vulnerable Australians in a time of unprecedented crisis. After 26 years of stagnancy, income support was raised to a point that enabled many people to both eat and pay rent at the same time — to live just above the poverty line instead of struggling below.

The purported \$50/fortnight, or \$3.57 per day, increase to the maximum basic rate of working-age social security payments from 1 April 2021 was in fact not an increase, but a deep and callous cut to the Coronavirus Supplement.

The Committee is well aware that the COVID crisis is not over. As noted above, people are out of work through no fault of their own, the housing situation is dire, and services like Anglicare’s are under increasing demand as housing stress take its toll on individuals and family life. The combination of insufficient income and a desperate lack of housing

availability means that families currently in, or on the edge of, poverty are more than likely to never find their way out.

The issues paper notes that there is a range of government policies that affect the housing market. 'Income support and Commonwealth Rent Assistance' are currently listed as an 'additional responsibility' of the Commonwealth and outside the scope of the NHHA. We would suggest that Commonwealth Rent Assistance, at the very least, should fall within scope, and that a 50% increase to the CRA to relieve rental stress for low-income households is well overdue. In their submission to the parliamentary inquiry into housing affordability and supply in Australia, the Grattan Institute pointed out that the maximum rent assistance payment is indexed in line with CPI, but rents have been growing faster than CPI for a long time. CRA should be indexed to changes in rents typically paid by people receiving income support so that its value is maintained.²⁴ As the Henry Tax Review also recommended:

*Rent Assistance payment rates should be increased so that assistance is sufficient to support access to an adequate level of housing. Maximum assistance should be indexed to move in line with market rents.*²⁵

Conclusion

This submission concludes with a final comment from the Finland experience. Juha Kaakinen, CEO of Y-Foundation, a global leader in implementing the Housing First principle and CEO of Finland's largest not-for-profit housing association, notes that there is a false economy in simply dealing with homelessness as an inevitable fact of life:

*All this costs money, but there is ample evidence from many countries that shows it is always more cost-effective to aim to end homelessness instead of simply trying to manage it. Investment in ending homelessness always pays back, to say nothing of the human and ethical reasons.*²⁶

This review provides the Australian Government with the opportunity to change lives for the better in this generation and those to come.

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