

Our reference: A7342482



3 July 2017

Human Services Inquiry  
Productivity Commission  
LB 2, Collins Street East PO  
MELBOURNE VIC 8003

Dear Sir/Madam

**Productivity Commission 2017, Introducing Competition and Informed User Choice into Human Services: Reforms to Human Services, Draft Report, Canberra.**

Thank you for the opportunity to make a submission on the above draft report.

The key point on Social Housing contained in the Overview Report (see below), together with its rationale as set out in the Full Report, is strongly supported.

"The **social housing** system is broken. The current two-tiered system of financial assistance for people who live in social housing or the private rental market is inequitable, and limits tenants' choice over the home they live in. The system would be improved if a single model of financial assistance applied across social and private housing, based on an increase and extension to Commonwealth Rent Assistance.

– Social housing should continue to provide a home for people who are not well placed to rent in the private market."

In terms of the detailed recommendations pertaining to this matter these too are considered to be justified subject to the following change to Draft Recommendation 5.3:

**DRAFT RECOMMENDATION 5.3**

State and Territory Governments should introduce choice-based letting for tenants entering into, and transferring between, social housing properties subject to demand management measures that prioritise local community connections.

In places like the Mornington Peninsula that are highly valued sea change destinations with limited social housing, an unmodified recommendation 5.3 may result in local residents being forced to leave their local communities for other places with which they have little or no connection. This may isolate them from their family and friends and would not be in the interests of building social capital. The above underlined qualifier to the recommendation is therefore suggested.

If you have any questions, please contact Roz Franklin, Senior Social Planner of this office

Yours sincerely

Louise Wilkins  
**Manager Family Services and Community Planning**