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P A R I T Y



Renting and Homelessness

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Contributions to *Parity* are welcome. Each issue of *Parity* has a central focus or theme. However, prospective contributors should not feel restricted by this as *Parity* seeks to discuss the whole range of issues connected with homelessness and the provision of housing and services to homeless people. If possible, the length of contributions should be no greater than 1000 words. Please consult the *Parity* editor if this is insufficient.

Where necessary, contributions will be edited. Where possible this will be done in consultation with the contributor.

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Contributions can be sent by e-mail to parity@chp.org.au or sent on disk in a Microsoft Word or rtf format to:

**Council to Homeless Persons,
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Proposed 2009 Publications Schedule

May: Industrial and Workplace Issues

June: TBA

July: Education and Homelessness

August: What Do Homeless People Have to Say in Homelessness Research

September: Youth Homelessness edition

October: Responding to Homelessness in NSW edition

November: Rethinking Domestic Violence and Homelessness

Artwork

The photographs in this edition were provided by the *Stories from the Waiting List* project. Photographs by Adam Quarrell.

The views and opinions expressed in *Parity* are not necessarily those of CHP

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Editorial

It is a time of great anticipation as we look forward to the more detailed State and Territory action plans to reduce homelessness in Australia. It is my understanding that State implementation plans including four year budget commitments are near completion and will be disclosed soon. These plans, based on the Australian Government's White Paper on homelessness, will enable greater policy detail and more importantly some investment and service delivery change on the ground. Action on homelessness is more needed than ever as the pressure of the global financial crisis and rising unemployment begins to bite. Whilst the Australian Council of Australian Governments (COAG) commitment to address homelessness is a long term vision, action, investment and service delivery support is required now.

Housing is a crucial element in both preventing and alleviating homelessness. The implementation and delivery of the recent announcements and commitments made to social housing are significant in the work to halve homelessness by 2020. This edition covers the significant affordable housing supply issues faced by low income people, the difficulties encountered by people in accessing private rental housing and the importance and impact of housing in the service delivery approach for people experiencing homelessness.

The private rental market is a significant tenure for clients of homelessness services both before and after receiving support. More than a quarter of Supported Accommodation and Assistance Program (SAAP) clients in Australia were living in private rental housing before receiving support. Over the last four years this has increased significantly as the rental market has tightened and rents become less affordable. SAAP data indicates that up to 10,000 people across the country were previously living in public housing before receiving support. This indicates a need to review and adjust policy regarding this rental tenure.

The commitment to investment in public and community housing through the COAG agreements and the economic stimulus package is the most significant in at least two decades. In the rush to put more housing on the ground along with enabling employment in the construction and building industry, it is important that peak bodies, services and all stakeholders monitor progress to ensure that the housing provided meets social needs and in particular assists in achieving the targets outlined in the White Paper. For these targets to be realised, a range of social housing developments are required to meet the various needs of age and household groups in the homeless population. It is also crucial that housing is located in proximity to essential social services and public infrastructure. It is well

documented that for people experiencing homelessness to 'break the cycle', housing must be linked with substantive support programs. If these principles can be adhered to, then real inroads can be made to reducing homelessness.

Regional data from the Australian Bureau of Statistics (ABS) is expected within the next month. This will enable local services and communities to gain a better understanding of homelessness in their area. This evidence, complemented by other data and information, should provide the foundation for work on local community plans to address homelessness. The relationship between homelessness and regional rental markets can be explored and plans linking social housing and the reduction of homelessness implemented.

CHP looks forward to working together with governments, services and all stakeholders to assist in bringing plans, funding commitments and policy documents to reality to deliver real change.

Acknowledgements

The Council to Homeless Persons would like to thank the host of organisations that have come together to jointly sponsor this edition of *Parity*. In particular we would like to thank **Adrian Pisarski** and the leadership of National Shelter in organising many of the sponsors. The large number of sponsors is great testimony to their collective concern that the issues connected with the nexus between renting and homelessness were covered adequately.

David Wright-Howie,
Acting CEO
Council to Homeless Persons



Minister for Housing and for the Status of Women, Tanya Plibersek MHR, at the forum organised by Homelessness NSW to launch the February White Paper edition of *Parity*, held on 24th March.



Dr Shelley Mallett, General Manager, Research and Social Policy Research and Social Policy Unit at the Melbourne Citymission and CHP Board Member was the Keynote Speaker at the recent NZ Coalition to End Homelessness Forum that was held in Christchurch at which the March Early Intervention and Prevention edition of *Parity* was launched.

The Housing Futures for Women Conference

Minister for Housing The Honourable Tanya Plibersek MHR, will officially open the Women's Housing Limited national conference on Tuesday 4 August.

Zinc@Federationsquare will host the Housing Futures for Women conference, which brings together housing providers, academics and economists, stakeholders including property developers and planners, State Ministers and Parliamentarians. It aims to inform policy development and planning to better anticipate and address women's housing requirements in the short and long-term.

It will also consider the broader issue of career development for women within the housing sector. According to Judy Line, CEO of WHL and Vice Chair of CMFV, "As in most professions with a female dominant workforce and despite advances towards equality in the workplace over a number of decades, few women advance to senior positions in the housing sector."

With the support of the Community Housing Federation of Victoria and Victorian Government's Office of Housing, this conference will consider the impact of current economic conditions and changing demographics on women of all ages and identify priorities for the development of responsive public policy. With an ageing population and high rate of relationship breakdown, many women are sandwiched

between the high cost of housing, which reduces affordability, and the low rental vacancy rate, increasing the cost of rent.

"In addition, the devastating losses caused by the bushfires throughout Victoria resulted in close to 2000 families experiencing homelessness. This is exacerbating the housing shortage and resulting in overwhelming demand on community and social housing services." Ms Line continued.

Housing affordability challenges and shortages in rental accommodation have become mainstream issues as average Australians are being squeezed out of both markets in Victoria. The impact of the international financial crisis is exacerbating the problem as more people join the unemployment queues.

"While these challenges affect all Australians, in our experience women are extremely vulnerable to changing market conditions and increasing unemployment. Those most at risk include older women nearing retirement age with limited or little superannuation; women with young children who struggle to access appropriate childcare to enable them to participate in the labour market; and women who are forced to leave their home as a result

of domestic violence." Ms Line said.

"Women's Housing Limited is delighted to have the support of the Victorian Government's Office of Housing and Women's Policy Unit to assist its research into the experiences, current and future needs of women working in housing in both the public and community sectors. The Women in the Community Housing Sector: Building a Workforce for the 21st Century report will be released at the conference, along with other new research. The full program will be distributed soon." Ms Line concluded. ■

Date: Tuesday 4 August 2009

Time: 9.00 am – 4:30pm

**Venue: ZINC at Federation Square
cnr Flinders and Swanston St,
Melbourne VIC 3000
www.zincfedsq.com.au**

Early bird rates: \$90 (registration before 23rd June)

Full rates: \$115

For further information and bookings please contact **Holly** on **9654 6077** or **holly.mullaney@chfv.org.au**

Update from Homelessness Australia

**Simon Smith,
Executive Officer**

Thank you CHP for this opportunity to contribute a new article to *Parity* each month. It highlights the strong working relationship between our organisations. Here is a summary of what we've been doing recently.

Currently Homelessness Australia (HA) is busily preparing for our face to face meeting on 18–21 May in Alice Springs. This will be the first time we have met in the Northern Territory. Our meetings involve some 70 people from HA's Board, team, Councils and reference groups who have representatives from across the homelessness sector in Australia. It will also be the first time HA will convene our Indigenous reference group.

Like most we've eagerly awaited more information on the roll out of the White Paper. One of the surveys sent to our 300+ members asked them to identify their most important issues. Major items identified as 'very important' are:

- Creating strong housing options across

the across the continuum (90%),

- Ensuring that new funding is effectively distributed (86%), and
- Successfully implementing the no exits policy under the White Paper (80%).

A full set of results from this survey as well as our annual member's survey will be available as a report shortly.

Meanwhile, we've been discussing the roll out of the White Paper with the sector and what it means for them. I spoke recently at the NSW Women's Refuge Movement Child Support Workers' Conference and at the Victorian Indigenous Statewide Homelessness Network Conference. HA team member Aileen Solowiej spoke at the Network of Immigrant and Refugee Women Australian (NIRWA) Forum in Sydney in March on CALD housing and homelessness. In addition, HA Policy Officer Travis Gilbert attended the Mercy Foundation housing forum in Sydney. Then he and Aileen attended the ACOSS National Conference. It was a great opportunity to network with key people in the sector.



We've been active in the media as well. Youth Homelessness Matters Day on 1 April gave us an opportunity to talk about what we need to do to address youth homelessness. We also did a media release on International Women's Day and a range of interviews to acknowledge the number of women who are homeless in Australia, many of whom experience domestic violence.

As the White Paper developments take place we look forward to working with colleagues across Australia. More information including contact details for HA please visit: **www.homelessnessaustralia.org.au** ■

Changes to the Victorian RTA?????

Greens member of Victorian Parliament Greg Barber has drafted a law to introduce into Parliament in May that would give the Housing Minister the power to set minimum housing standards for rental properties and rooming houses. These amendments to the Victorian Residential Tenancies Act are aimed to help those in the darkest corners of the public and private housing market. It would ensure that the places they inhabit have guaranteed minimum standards such as heating, insulation, lighting, adequate plumbing for sanitation and consumption, security requirements and a whole range of other measures that the Minister could see fit to implement.

The Private Member's Bill extends a responsibility upon landlords to ensure adequate comfort for their properties while it invests rights in the tenant to demand that their landlord brings the dwelling up to the declared standard. If the landlord fails to meet the housing standards, a series of mechanisms are available for the tenant to rely on their rights that guarantee the relevant living standard. These mechanisms, while only practically applying to those who need them, also have the added benefit of bringing peace of mind to all tenants knowing that they do have a right to basic standards of living in exchange for their regular rental payments. Greg Barber's Bill is not intended to re-position the entire rental market, it is

humble in its aims and only a small proportion of properties would be affected — those that are in such a parlous state to be detrimental to the occupant's physical and mental health.

This Private Member's Bill could be characterised both as improving the human rights of Victorians and minimising their impact on the changing climate. The indignity of living in a residence that does not have basic working amenities should not be a reality for people who co-habit such a wealthy country as Australia. This Bill makes it possible for basic living conditions to be complied with by landlords, enhancing the human right to adequate housing. Such a right is included in Article 11 of the International Covenant on Economic, Social and Cultural Rights, to which Australia is a signatory, but such a right was excluded by Victoria's Charter of Human Rights and Responsibilities Act 2006. Presently, one of the few guarantees the Residential Tenancies Act provides for is that the house must not be 'in an inhabitable condition' when the tenant goes into occupation. But this definition has been interpreted at such a high threshold that its effect is meaningless except in the most exceptionally dilapidated dwelling.

The other major concern being tackled by this Bill is the increasing cost of living, particularly in Australia's emerging carbon-economy. The cost of consumption will be

the most heavily borne by those without the affluence to shield themselves from the costs of climate change. The cost of power and water will inevitably rise, and these regulations have the potential to shift the cost burden to landlords who can claim all expenses as a tax deduction, in addition to being offered government rebates. Depending upon the type of standard the Minister issues, they will have the impact of lowering water and power utility bills for the tenant and also the associated greenhouse gases needed to produce energy.

Setting insulation, heating, water and energy efficiency standards can be a targeted way for thousands of Victorians to lower their carbon impact. If the Parliament has the courage to adopt this Bill, the social equity and environmental benefits for Victoria would not only be far reaching, but encourage continual improvement of living conditions into the future. The dignity of all Victorians will be lifted in the knowledge that the most neglected and unfortunate in our society are entitled to a standard of housing and protection. ■

To view the explanatory memorandum and the Bill, please visit: <http://mps.vic.greens.org.au/>

For any feedback or suggestions on the Bill, please call the Office of Greg Barber on (03) 9348 2622.

Putting the Proposed Amendment in Context

The Victorian Minister for Minister for Housing, Local Government and Aboriginal Affairs has said that while the Victorian Government will of course fully examine the amendments to the RTA proposed by Greens MLC Greg Barber, the context of the private rental market and in particular rooming and boarding house issues need to be fully understood before consideration is given to any changes to the Act.

The first part of this context is impact of the proposed Amendments on private rental supply.

According to Minister Wynne, the proposed Amendment,

"Potentially this raises the risk of pushing investors out of the private rental market."

"The private rental market is very heavily regulated right now."

"According to the most recent rental report, just 6.6% of new lettings were classed as "affordable" for low income earners in December 2008, and just

2% were affordable for low income earners in the City of Yarra, for example."

"It is therefore difficult to justify the introduction of any regulations that places a burden on landlords and creates an incentive to get out of the rental market."

"Under the status quo, the RTA gives tenants recourse to ensure that landlords comply with their contractual obligations."

Minister Wynne acknowledged that the issue of rooming and boarding houses was different, more difficult and more complex.

Minister Wynne said:

"We acknowledge that rooming houses are a separate issue with a distinct set of problems that the government is currently working to alleviate."

"The Department of Human Services is working alongside Consumer Affairs Victoria to improve the enforcement of the current regulations that are stipulated in the Health Act."

"Currently rooming houses are required to register with the local council and they must adhere to regulations covering health and safety requirements."

"The penalty for not registering is \$5000 and there are other associated penalties for breaching the regulations."

We (the Victorian Government) are also considering using DHS health inspectors to conduct more regular checks of rooming houses and to gather information to prosecute those who have not registered. We will also continue to work with tenants' organisations to collect information about rouge operators.

The Brumby Government is considering introducing tougher minimum standards for rooming houses to cover issues such as access to bathrooms, number of people per bedroom, and fire safety standards.

Minister Wynne said that officers of his Department were currently examining and developing a comprehensive response to the issues raised in the proposed Amendment. ■

Call This A Home?

Update from the Victorian campaign for safe rooming houses in Victoria

Call This A Home? is a coalition of peak bodies, organisations and individuals committed to safe rooming houses in Victoria. We believe every Australian has a fundamental right to safe, secure and affordable housing.

John owned and operated a successful small business in Melbourne's inner south and had few problems supporting his wife Paula* and daughter Melissa*. During this time they rented privately.*

Five years ago John had an accident and injured his back. The subsequent chain of events led to him losing his business, accessing the Disability Support Pension and being declared bankrupt. For awhile the family managed to juggle accommodation using friends, family and other community support. John manages to work part-time when he can.

When these resources inevitably ran out John and his family presented at a crisis housing service and were referred to an eastern suburbs rooming house owned by Victoria's largest private rooming house operator. The family moved into a single room in a four bedroom suburban house. The total number of people in the house ranges from eight to more than ten on any given night. The rooming house is not registered with the relevant council.

Since then the family has had to endure:

- *The everyday indignities of sharing with such a large number of strangers and a substantial loss of privacy and control over their lives and routines*
- *The need to fit all their belongings into a single bedroom and the loss of the majority of what they had owned before their housing crisis*
- *The regular theft of possessions from communal areas and their own room*
- *A mix of residents with multiple complex issues and/or who are openly engaged in criminal activities within the house*
- *A lack of privacy and safety for themselves and for Melissa who is particularly vulnerable as a teenage girl*
- *Intimidation by the operator who has scrawled insulting graffiti on their door and threatened John and his family with violence*
- *Financial exploitation through the weekly rent of \$250 combined with additional demands for 'arrearers' and a bad experience with Centrelink's CentrePay System when money was withdrawn despite the rent already*

being paid in cash.

John has stopped working in order not to leave his family alone in the house, where they live as virtual prisoners in their room. This family is inextricably caught up in a horrific journey from their former economic and social independence towards complete immersion in the dangerous world of private rooming houses and welfare dependency. John has complained to the house operator on many occasions and was recently informed he will be forcibly evicted 'before too long' for being a 'dog' and a 'trouble maker'. Other residents express support privately to John, but none are willing to risk speaking up.

Every day crisis housing workers hear stories like this, and worse.

Dangerous and sub-standard private rooming houses have proliferated in Victoria, driven by a lack of affordable and accessible housing. They have prospered due to an outdated regulatory scheme that provides little protection for residents. While rooming houses comprise the most dangerous form of accommodation, the reality is that they provide the majority of available beds on any given night for emergency housing responses by homelessness services. This is an unacceptable situation, but without a better alternative people in housing crisis will continue to be forced to choose between private rooming houses and sleeping on the street.

CALL THIS A HOME ?

Call This A Home?

The impetus for *Call This A Home?* came from frontline crisis housing workers and tenancy rights advocates.

On a daily basis they hear stories of trauma and abuse from rooming house residents, but can not offer any realistic alternative to the majority of people seeking a roof over their head. Workers and agencies refer people to the best and most suitable options available and it is only as accommodation of last resort that referrals to unknown private rooming houses are made. Tenancy rights advocates also regularly assist clients who live in untenable rooming house situations.

This is an unacceptable situation. It requires the creation of alternatives to rooming houses and reforms to bring rooming houses up to an acceptable community standard.

Call This A Home? is focusing on the latter in an attempt to deliver a quick and effective outcome to those currently living in rooming houses.

The above situation has had a serious impact on stress levels within the

homelessness sector and many workers have left because of their feelings of powerlessness to achieve acceptable outcomes for clients.

Victoria has experienced a significant structural shift in housing; private rooming houses will continue to operate as exploitative cash cows in the absence of serious legislative reform.

The Council to Homeless Persons (CHP), Tenant's Union of Victoria (TUV) and the Victorian Council of Social Services (VCSS) have developed a joint advocacy campaign for rooming house reform, with support from housing/homelessness and advocacy agencies and significant pro bono support from RMIT's Human Rights Campaign Studio.

While the campaign is still developing, initial feedback from workers, organisations and (most importantly) rooming house residents themselves has been positive.

There is a wide range of views regarding rooming houses and the appropriate role they should play within the homelessness and housing sectors, but it is clear that everyone agrees on the need for the urgent measures to protect vulnerable rooming house residents.

Call This A Home? is calling on the Victorian Government to introduce:

1. A set of comprehensive minimum standards to ensure the basic needs of rooming house residents are met.
2. A system of registration, monitoring and enforcement to bring hundreds of unregistered rooming houses into the system and ensure their compliance.
3. A system to regulate the management of rooming houses to prevent exploitative practices.

What you can do to support the *Call This A Home?* campaign for rooming house reform:

- Register your support for the three campaign objectives (above). The larger the coalition of organisations standing together, the greater the chance of achieving a robust safety net for rooming house residents. Call Diana Wolfe at CHP on 9419 8699 or email the campaign at signup@callthisahome.net
- Let Diana know if you are interested in being involved in campaign events and if you, or one of your clients, are interested in sharing your rooming house story with the media (with support and training if needed). ■

* Name and identifying details changed

Introduction: Commonwealth Government Programs and Initiatives

Commonwealth Government Initiatives in Affordable Housing

**By the Department of Families,
Housing, Community Services
and Indigenous Affairs**

National Affordable Housing Agreement (NAHA)

The Commonwealth and State and Territory Governments have agreed to a new National Affordable Housing Agreement (NAHA) that began on 1 January 2009. The new Agreement provides \$6.2 billion worth of assistance in the first five years, bringing together existing Specific Purpose Payment (SPP) funding for affordable housing and homelessness into a single, overarching agreement involving all levels of Government.

Through the NAHA, the Commonwealth, State and Territory Governments have also committed to a range of reforms such as improving integration and coordination of assistance to reduce homelessness, addressing land supply and development blocks and improving public housing.

Associated with the NAHA are the National Partnerships on Homelessness, Social Housing and Remote Indigenous Housing.

The National Partnership Agreement for Homelessness will deliver \$800 million worth of assistance for homeless people over five years and \$300 million for the A Place to Call Home initiative.

The National Partnership Agreement on Social Housing will deliver \$400 million over two years to States and Territories to build up to 2,100 new social housing dwellings.

The National Partnership Agreement on Remote Indigenous Housing will deliver \$1.2 billion dollars over ten years to States and Territories to improve housing outcomes for Indigenous people in remote communities.

This substantial additional investment together with the reform agenda outlined in the NAHA will contribute to reducing rental stress for tenants and preventing homelessness.

Nation Building Economic Stimulus Plan

The Australian Government has also committed a further \$6.4 billion to construct 20,000 new social housing dwellings to be rented to low income Australians, particularly those who are homeless or at risk of homelessness. This package will also fund urgent maintenance to upgrade around 45,000 social housing dwellings including 10,000 that would otherwise be uninhabitable within the next two years.

This is the single largest investment in social housing ever made by any Government. It will substantially boost public housing stock, reducing rental stress for low income tenants. It will also contribute to the Government goals to reduce homelessness.

National Rental Affordability Scheme (NRAS)

The Australian Government is investing \$623 million in the National Rental Affordability Scheme over four years to increase the supply of affordable rental dwellings by 50,000. The Scheme offers investors annual refundable tax offsets or payments every year for 10 years, provided the new homes are rented to eligible low to moderate income households at 20 per cent below market value and tenants are still eligible for Rent Assistance.

With rental vacancy rates below two percent in most capital cities the Scheme will increase the supply of affordable housing and reduce rents for low and moderate income households.

Under Round 1 of the Scheme 3,899 new affordable rental homes will be built. The second call for applications closed on 27 March 2009 with further offers of incentives to be made in late June 2009.

Commonwealth Rent Assistance

The Australian Government provides Rent Assistance to eligible Australian residents who rent in the private rental

market. To be eligible for Rent Assistance, a person must first qualify either for an income support payment (the Age Pension for instance), more than the base rate of Family Tax Benefit A, or a service pension. They must also pay a minimum amount of rent, called the rent threshold. Rent Assistance rates are based on a customer's family situation and the amount of rent they pay. It is a non-taxable income supplement. In 2007–08, Rent Assistance payments exceeded \$2.2 billion nationally and were paid to nearly one million Australian families and individuals.

The White Paper on Homelessness
The White Paper on Homelessness outlines the need for enhanced tenancy support to prevent homelessness. Existing programs provide specialist workers to help people who are in the early stages of rent arrears or about whom complaints have been made in regard to antisocial behaviour. The tenant and the worker develop a plan of action to help the tenant stay in their home that can involve referral to other services such as financial counsellors, mental health services, and education and parenting programs.

Most of these programs are focussed on helping public housing tenants and few programs are available to help people who are at risk of losing their private rental property or falling out of home ownership. The White Paper includes an agreement by States and Territories to enhance these programs and provide them across tenancies.

The White Paper also provides for the introduction of compulsory rent payments from Centrelink payments for tenants in public housing at risk of eviction due to non payment of rent.

Also, as part of the White Paper, the Australian Government will review the impact of 'without-grounds termination' clauses in state and territory tenancy legislation on rates of homelessness and the lack of legislative protection for boarders and lodgers in some jurisdictions. ■

Chapter I: The Scope of the Issues

Is the Stimulus Boost to National Affordable Housing Agreement (NAHA) the Light Streaming through the Crack in Everything?

**By Adrian Pisarski,
Chairperson,
National Shelter**

On the day the stimulus package was announced I received a call from the Minister, the Hon. Tanya Plibersek telling me to get in front of a TV or turn on my radio as the PM was going to announce something I would like. I could hear her beaming at me through the phone as she let slip the amount of \$6.4 billion directed to “public housing”.¹

The rest of that day passed with an incredible lightness of being² and even though I knew it may not have happened without the Global Financial Crisis, I was pleased that public housing had made a comeback.

That evening I attended, like many others, the Leonard Cohen concert at the Brisbane Entertainment Centre and one stanza of Cohen’s exquisite poetry became stuck, like one of Dr. Oliver Sacks’ ear worms,³ on a loop in my head. It is appropriate to share it and explain the meaning I borrowed from it.

*Ring the bells that still can ring,
Forget your perfect offering,
There’s a crack, a crack in everything,
That’s where the light gets in.*

In public housing terms, we have far fewer bells to ring than we once had, just look at South Australia, still selling off 8000 units of previously public stock to fund maintenance and overheads on the remainder.

Too many for too long have been developing their perfect offering in housing terms. Only model X will work and must contain exactly these characteristics! The point of much of my and others’ work over the past 5 years has been to move away from specific models to a framework in which all models may have a place and all can be supported.

The crack in this particular everything is the Global Financial Crisis and the light

streaming in is the stimulus package and the NAHA.

I recently introduced Tanya Plibersek to a conference and said that for me she will always represent the light streaming through the crack in everything, I think she blushed and pointed out that it was always pleasing to go beyond the expectations of others.

So how perfect do I think this offering is, now I have come down from the incredible lightness of being to our still heavy reality?

In previous articles⁴ I have expressed disappointment that the National Affordable Housing Agreement did not have sufficient resources to tackle the problem in a comprehensive way. Does the stimulus package fix the problem?

In terms of capital outlays the stimulus to public housing is “The largest single expenditure on public housing since the program began post WW2,”⁵ and will provide 20,000 new dwellings and reverse the decline in public stocks we have been seeing since 1996.

Two qualifications need to be added to see the proper context. Firstly, 75% of the program is expected to be delivered by the end of 2010 and secondly it is only a four year measure.

It is understood that the approach is two pronged; firstly to create work in the building industry quickly and secondly, to address the decline in stock. Both these are laudable goals but could also lead to strange outcomes in the short term.

In the best of worlds we would have delivered the stimulus over a longer period to allow a more planned approach to delivering 20,000 properties. As it is, every state and territory is bringing forward projects already on their books, which is no bad thing. They are also inviting developers to submit projects, some of which would not normally be brought into public or community housing stock. It may lead to

stock additions which don’t have the best locations, may be deemed as too dense, too flash, poorly distributed and so on.

We also need a long term strategy to address the long term decline in affordable housing. The NAHA provides some of this through the National Rental Affordability scheme which should add 50,000 homes over 15 years⁶ and potentially another 50,000 after that, giving NRAS a lifespan of at least 25 years. However these homes may not be dedicated to the same purpose as the stimulus package, which is fully subsidised housing targeted at the highest need on a potentially permanent basis, where NRAS is targeted at low to moderate income households with no or low attendant support needs.

So we also require an outline of what the Commonwealth will do to add to fully subsidised stock beyond 2010. In addition we need to understand how housing targeted to high needs will also provide the support required by high need households. We will only get one chance at resolving these issues and there is currently insufficient attention paid to support needs.

We should also be examining rent policy across all types of affordable housing so we do not get perverse outcomes, for example, concentrating high need low income households in public housing which has no or little support attached. The idea that public housing can only charge 25% of Income for low and fixed income households may have to give in a system wide reform.

The other major area of reform since the NAHA was announced is the expectation by the Commonwealth that up to 75% of the stimulus package should end up, with title, in the community housing sector so that an additional outcome of the stimulus is to deliver a robust and sophisticated community housing sector.

This may play out differently by State and or Territory as some states have a more

advanced trajectory for their community housing sector. Some caution also needs to be added as this has not been written into agreements between the Commonwealth and States and may not be the most efficient means of delivering outcomes quickly. While the goal however is a laudable one, the NAHA also needs to address the ongoing financial viability issues created by excessive targeting to low incomes strangling the income available to housing people on 25% of very low incomes.

This could be done through the creation of an operational subsidy for State owned and operated housing equivalent to Commonwealth Rent Assistance.

One solution to many of these issues is to promote, what Julian Disney calls, a portfolio approach to the distribution of the stimulus money and NRAS. In this approach affordable housing portfolios could be bid for to include a mix of stimulus housing, NRAS, State owned and managed housing and discounted market rental housing. It would be bulked together and distributed in large portfolios to achieve a mix of outcomes for all income levels and which would use NRAS with stimulus or existing capital to house people on very low incomes as well as across a range of income groups or households with other characteristics (disability, seniors, young people, previously homeless etc.).

This approach would provide longer term security, potentially deliver more housing, achieve a better social mix and a scaled up community housing sector. There is a tendency by governments to consider each program as a mutually exclusive program, when better outcomes could be achieved by a mix and match approach across all areas of the National Affordable Housing Agreement.

In other aspects of the NAHA we are starting to see the developments proposed by states for the homelessness initiatives. Implementation plans I have been confidentially briefed, on look like positive steps forward and again I would encourage homeless services, government agencies and policy developers to think creatively about utilising all elements of the NAHA to achieve the desired outcomes. It seems the idea that solving homelessness requires housing people securely and addressing support needs consecutively has now taken hold. SAAP was never resourced adequately to achieve this. As a program it has always measured well, but it has not ever been resourced properly or developed sufficiently to address the scale of the homelessness problem it encountered.

At the Prime Minister's briefing about the stimulus package I asked the PM if he would encourage governments to apply maximum flexibility to utilising these funds and he responded stating that was his intention. He indicated he would be seriously watching progress and was a dab hand at Google Earth.

The NAHA is the best development in affordable housing since the introduction of the old Commonwealth State and Territories Housing Agreement, it is not a perfect



'In summer, the place is really hot, you have to try and open the windows and the doors, but the flies get in. And there's no key for some of the windows.'

offering but it is a potential solution if it is used flexibly, provides for longer term certainty and utilises a portfolio approach to maximise its outcomes.

Without the stimulus boost it was a good plan, now it has the opportunity to illuminate and transform our approach to affordable housing and begin the ending of intractable homelessness. ■

Footnotes

1. We need to be cautious in using the term public housing as the Commonwealth has created an expectation that most of the stimulus housing will end up in the community sector. The term also lends itself to stigma being associated with large estates and concentrations of disadvantage. The new money will also be used to reform affordable housing programs across the board and should be seen in the broader context of affordable housing.

2. Apologies to Milan Kundera
3. Dr Oliver Sacks in an essay on musicophilia describes the phenomenon of people experiencing a constant musical phrase playing inside their heads which sounds like it is in the same room but is actually neurologically generated.
4. See Adrian's blogs at www.qshelter.asn.au
5. Tanya Plibersek, Minister for Housing and the Status for Women, Queensland Shelter conference, Feb 27 2009.
6. NRAS began in 2008, but will take at least five years to gear up and allocate its incentives, the last of which will only be allocated in 2017 and then will last for 10 years beyond that. At the same time incentives allocated in the first 5 years will expire after 10. Kevin Rudd announced that if successful NRAS will be continued for a further period and an additional 50,000 properties.

“But that could happen to anyone”¹

A Local Government’s Experience of Connecting the Dots of No Longer Having any Affordable Private Rental Housing

**By Kate Incerti,
 Team Leader Housing and
 Homelessness Services,
 City of Port Phillip**

“When I became sick with cancer, being a single woman left me no means of support except a sickness benefit. I lost my job, and couldn’t continue my studies and my low income had to cover rent, food, electricity, transport and medication. Pretty soon the only accommodation I could afford was a rooming house and this presented a new list of problems that hindered my long term health needswhen seeking help from agencies, even the chemist that was dispensing my special medication, people were aware of the house where I lived and judged me accordingly — that because I lived there I must have a drug problem or a mental illness when in fact it was the only form of accommodation I could afford... It showed me that without one’s health; even a small issue like housing becomes one of the most important issues in your life. Without appropriate housing, my rights to proper health care were taken from me. Without housing, my rights to be treated fairly within society were taken from me.”

Lisa 34yrs²

The City of Port Phillip has previously had a proud and well established history of embracing diversity and harmoniously accommodating people from different backgrounds. This has been possible in the past because locally thousands of people have been able to secure safe, accessible and affordable housing. But over the past decade, rapid gentrification and extensive redevelopment has meant that it is extremely costly to live in this area and many parts of Melbourne. The availability of safe, affordable and adequate housing is at a critical low and anyone with a low income, mental illness or disability struggles to remain housed in Port Phillip. We have witnessed that prolonged housing stress, particularly in the private rental market, can lead to homelessness.

In 2007, the City of Port Phillip Housing Strategy 2007–2016 acknowledged this critical link and need for an integrated, over-arching Homelessness strategy and recommended:

- Development of “a strategy to coordinate responses to the needs of people experiencing homelessness.”
 (Recommendation 8.1)

Work commenced in late 2007 on this project and the City of Port Phillip Homelessness Action Strategy 2008–2013 was endorsed by Council in September 2008. It was developed with reference to:

- Research findings and program evaluations locally, across Victoria, nationally and internationally;

- Council, State and National Housing and Homelessness Strategies;
- Legislation: State, National and International;
- Demographic trends and statistical data; and
- Feedback from a wide range of stakeholders including people who have experienced homelessness.

The City of Port Phillip Homelessness Action Strategy clarifies how Council aims to:

- enhance community understanding of homelessness;
- prevent the incidence of homelessness;
- facilitate the integration and provision of housing and support services and
- coordinate responses to the needs of those experiencing homelessness or at risk of homelessness.

Council acknowledges through this strategy that many people on low incomes in our municipality are now excluded from obtaining affordable and suitable housing impacting not only on the individual and families experiencing housing stress or imminently at risk of homelessness, but right across the broader community. This includes the local economy, as well many of the service providers across Homelessness, Health and Community agencies desperately trying to assist local residents on a daily basis to remain in the municipality or locate housing elsewhere with limited success and great distress.

The City of Port Phillip endorses a broad definition of homelessness informed by the different understandings from policy, legislation, consultation and research, recognising homelessness as an experience or situation of being unable to access safe, secure, affordable and suitable accommodation.

Homelessness occurs “when a person is left without a conventional home and lacks the economic and social supports that a home normally affords. He/she is often cut off from the support of relatives and friends, and has few independent resources. Often the person has no immediate means and in some cases, little prospect of independence”.³

City of Port Phillip Housing and Homelessness strategies work from the premise that a safe and secure home is



essential to facilitating sustainable social connections and building a fully inclusive community.

In our consultation with people who have experienced homelessness, many have been steadily 'squeezed' out of the private rental market. They reported discrimination and exclusion from the community and access to services including affordable accommodation and housing support. More recently some have experienced rental 'bidding' so that even when they have attended an open for inspection and filed an application, they later discover the rent accepted was far in excess of what was initially advertised.

During the past 5–10 years increasingly individuals, couples or families have experienced a changeover of a long standing tenancy — due to 'outliving' their original owner, sales requiring vacant possession or sky rocketing rents, and many have simply been unable to relocate to rental accommodation anywhere in Melbourne.

Some people have expressed on the one hand, that unless they are totally homeless; they feel they will not be offered any form of housing. On the other hand, families fear becoming absolutely homeless will lead to separation from their children. People who have health or age related fragility — either due to youth or older age currently have no suitable readily available housing options that they can afford and that accommodate their particular needs. The prevalence and risk of homelessness from falling out of the private rental market in our community and in the communities that surround our municipality is growing. City of Port Phillip believes all levels of government have a role to play including local government.

At Parliament House in Canberra, on 27 January, 2008, Prime Minister Kevin Rudd said there were more than 100,000 homeless people in Australia and it was clear the Federal Government needed to do more to stop the growing trend.

"It's something which you can either push to one side and sweep under the carpet or you can say, 'Actually this is just dead wrong, we need to do something about it', " Mr. Rudd said. "We don't believe it is something which a country as wealthy as ours in the 21st century can just ignore."

This has been a critical time to be developing a Local Homelessness Action Strategy:

- Locally we are facing increasing population numbers, changing demographics and increasing house prices which together with scarce and expensive rental properties are forcing Port Phillip individuals, couples, and families receiving low incomes, out of our area into unaffordable, frequently substandard private dwellings or homelessness,
- There is continuing unmet demand for crisis accommodation evident in

the high daily turn away from the main three services in Melbourne (one of which — Hanover Southbank located on the border of our municipality and City of Melbourne),

- Since the late 1990s locally there has been an unprecedented loss of thousands of affordable private rental units including private rooming houses (although the rate of loss of rooming house beds has been slightly eased by gains in the stock of community managed rooming houses during the same period),
- There is an under supply of transitional (short to medium term) housing and not enough permanent housing for tenants to move on to thus blocking up availability for people newly becoming homeless.
- There is a lengthy wait, for some indefinite, for social rental housing (social includes public and community housing).
- Many of the people we spoke to have experienced homelessness over a number of years and believe that one of the factors has also been the changing face of employment over the past decade. Some have been unskilled or minimally skilled and with jobs in manufacturing and labouring having steadily reduced, it has been increasingly difficult to earn enough income to secure accommodation.
- Older people particularly have related to us their experiences when faced with a range of industries moving offshore that have reduced their job security. Added to this due to restructuring, many jobs have been changed to casual positions, when this is added to the increasing private rental costs we have a devastating formula for disaster leading to a number of people having to turn to friends' couches or their cars for shelter even whilst still turning up for the occasional shift.

Even before the recent calamitous Global Financial Crisis, our investigation so far has shown us that a lot of homelessness can be hidden and directly related to massive changes in the property market and broader economy.

- Over a 12 month period (April 2007–April 2008) more than 150 older long term Port Phillip residents presented to City of Port Phillip's Housing and Homelessness services — 60 % were facing extreme financial stress due to escalating rents (rents of 70–80% of their Centrelink income) and half were being evicted (within 60 days) due to a sale of the property.
- Over that period, this service assisted 52 older residents from the private rental market into local public housing via the Sponsorship

agreement City of Port Phillip has with Office of Housing — many had been waiting more than 5 years for local public or community housing.

- As at June 2008, there were over 100 people on the waiting list for rental of a self-contained room at the community managed Rooming House Plus, Queens Rd Melbourne.
- In 2007, 90% of adults seeking crisis accommodation each day were being turned away from crisis accommodation services.⁴
- In July 2006, Port Phillip had 67 rooming houses with 1,209 beds, comprising 23 private rooming houses (417 rooms) and 44 public/community rooming houses (792 rooms). Most of the Community Rooming Houses have waiting lists of several months.
- At February 2008 there were 60 transitional housing properties in the St Kilda /St Kilda East area some possibly shared so a maximum of 108 rooms. By early 2009 the numbers of transitional housing properties were further declining as properties were being taken back by owners to be rented privately for greater rental returns.
- In the past year 2007–2008, over 4,000 people have presented to Homeground Housing Services in St Kilda, one of the central homelessness support organisations in the inner south region (Port Phillip and Stonnington).⁵

"A home is more than a physical structure. The attributes of home can be seen to be security of tenure, security against threats, physical characteristics which do not undermine health or create further disadvantage, affordability, living with people of one's choice, privacy and autonomy and control".⁶ ■

Footnotes

1. Comment from Commissioner, Public Hearing June 2001, Productivity Commission Inquiry into First Home Ownership on hearing 'Lisa's' story from a submission I took part in; later also included in Report to the UN Special Rapporteur on Housing Women and the Right to Adequate Housing in Australia — Written and submitted by a Coalition of Non-Government Workers Australia August 2004
2. Names have been changed
3. Office of Housing, (2007) *Understanding Homelessness*, Department of Human Services
4. Hanover comments in CoPP; CEO workshop Oct 2007
5. Figures from Home Ground Housing Services Aug 2008
6. Neil, Cecily and Fopp, Rodney, (1994), *Homelessness in Australia: Causes and Consequences*, 2nd edn, AHURI, Melbourne, pp.iii–vii, 1–233

A Place to Call Home?

Challenges facing people who are homeless in Australia's 21st Century Rental Market

**By Travis Gilbert,
Policy and Research Officer,
Homelessness Australia***

In a tight rental market characterised by historically low vacancy rates and median weekly rental prices in capital cities rising by between 5 and 25% in capital cities between December 2007 and December 2008, securing a rental property is a major challenge, even for those earning a reasonable income.

Having recently re-located to the ACT from South Australia I am discovering that at each open inspection I attend, there are typically 20–30 other prospective tenants with the same need for security of tenure as myself.

As readers are aware, people experiencing homelessness often face multiple barriers when attempting to gain access to the housing market and these typically extend far beyond the capacity to meet the costs of the security bond and weekly rental payments.

Please Provide Details of Your Current Address and Referees...

The first challenge that I am in fact facing myself is the need to provide a current address and the names of previous referees to a real estate agent when submitting an application for a rental property.

In the current climate, landlords and property managers are clearly more likely to give preference to applicants with a current fixed address and a verifiable history of successful tenancy, even if they are not intentionally seeking to engage in discriminatory practices.

Thus, what government departments, private landlords and real estate agents regard as a fairly straightforward requirement to fulfil when submitting an application for housing, is in fact an immediate and significant barrier for people experiencing homelessness.

Affordable Housing for Whom?

An overarching theme of the Australian government's *new approach to homelessness* seeks to address the need to make housing in Australia *affordable*. This is a welcome step in terms of public policy as there is a clear lack of housing options at the end of the housing continuum defined as affordable across Australia.

Affordability like most terms used in public policy is all about context and what is defined as affordable by policy makers may in fact be woefully out of reach for the most disadvantaged in our society, the estimated 2.2 million Australians living below the poverty line.¹ The proposed *National Rental Affordability Scheme* (NRAS) that would see some 50 000 new dwellings constructed under partnerships between government, the private sector and NGOs was included in *The Road Home* as an initiative aimed at *breaking the cycle* of homelessness but does it offer a realistic entry point into the rental market for people who are homeless?.

**Table 1:
Median Weekly Asking Rents for houses in Capital Cities December 2008 and rates under the proposed NRAS cap of 80% of market rental²**

Capital City	Median Market Rent	Proposed NRAS Rent
Adelaide	\$300	\$240
Brisbane	\$350	\$280
Canberra	\$420	\$356
Darwin	\$500	\$400
Hobart	\$290	\$232
Melbourne	\$350	\$280
Perth	\$360	\$288
Sydney	\$450	\$360

**Table 2:
Median weekly Asking Rents for flats/units in capital cities December 2008 and rates under the proposed NRAS cap of 80% of market rental³**

Capital City	Median Market Rent	Proposed NRAS Rate
Adelaide	\$240	\$192
Brisbane	\$330	\$264
Canberra	\$400	\$320
Darwin	\$420	\$336
Hobart	\$240	\$192
Melbourne	\$315	\$252
Perth	\$350	\$280
Sydney	\$400	\$320

As the tables above illustrate, people reliant on income support and part-time workers would be unable to afford the cost of fortnightly rental payments even if they

were eligible to access one of the 50 000 properties proposed to be made available over the 5 years under the National Rental Affordability Scheme.

It could be argued that by providing additional properties that can be accessed by people on moderate incomes, additional housing stock will be freed up at the most affordable end of the housing continuum but in and of itself properties constructed under the NRAS remain unaffordable for the most disadvantaged especially people experiencing homelessness who typically rely on income support payments from Centrelink.

Those reliant on income support for example, for whom the maximum rate of pay including maximum Commonwealth Rent Assistance ranges from \$586.60 per fortnight (Newstart) to \$669.80 (Pensions) would still need to devote more than 2/3 of their income to rent in even the less expensive capital cities such as Adelaide and Hobart.

Rental Stress

A person or household is said to be in housing stress if the proportion of their income devoted solely to mortgage or rent repayments exceeds 30%. A 2007 report by the Australian Housing and Urban Research Institute found that around 2/3 of low income households in private rental properties were experiencing housing stress and 52% of those were allocating more than 50% of their fortnightly income to rental payments alone.⁴

In the worst case scenario, acute rental stress can cause homelessness. The advent of the global liquidity crisis will almost certainly result in increasing numbers of Australians having their hours cut and losing their jobs entirely. In light of the crisis, there could be an argument for expanding the role of Private Rental Liaison Officers (PRLOs) employed by state governments who could be engaged to provide advocacy and support for those in private rental who are adversely affected and whose tenancies may be jeopardised as a result. This will push more and more households into rental stress and those unable to meet weekly rental payments may be forced to present to specialist homeless services seeking support and/or accommodation. Support for people to maintain private tenancies is one of the 'core' outputs States/Territories are required to deliver under the White Paper. We look forward to seeing more detail on jurisdictional implementation plans which were meant to be lodged with the Commonwealth on 1 April.

Sell! Sell! Sell! **Public Housing Stocks** **in Decline**

Due to ageing stock and an apparent need to retire significant debt, the number of public housing dwellings is declining. Since 1995 public housing stocks have declined from around 365 000 properties to fewer than 340 000 today.⁵

Across all states and territories, lengthy waiting lists are a major problem for those needing to access this end of the housing continuum. Public housing is increasingly being viewed as a place of 'last resort', reserved for those with little or no income and increasingly complex needs. Furthermore, even when tenants are eligible for category 1, or priority housing, they find that available dwellings are often not suitable for the household composition or the needs of the tenant(s).

With an increasing percentage of public housing tenants having complex needs, it is essential that those at risk of homelessness are afforded sufficient support to enable them to avoid eviction and sustain their tenancies. It is pleasing to note that a core output specified in the *National Affordable Housing Agreement (NAHA)* will require states and territories to expand programs such as South Australia's *Supported Tenancies Program (STP)* which engages NGOs to provide assistance and support to combat behavioural, financial and other issues that are placing their tenancies at risk.

It is widely acknowledged that connecting people exiting homelessness to appropriate support services increases the likelihood that they will successfully sustain a tenancy in the medium to long term and indeed, that is the premise on which the much heralded housing first approach is based.⁶

Buy! Buy! Buy! **The Impact of the** **Social Housing Stimulus** **Package on Supply**

The global economic downturn has stimulated a \$6.4 billion investment in social housing under the Australian Government's *Nation Building and Jobs Plan*. Homelessness Australia welcomes the first major investment in social housing in decades which will see some 20 000 new social housing properties constructed between now and 2012.

Construction of some 2300 properties will be brought forward to this year under the plan and in phase two of the roll-out governments will tender for the remaining properties which will be constructed between 2010 and 2012. Some 75% of properties look set to be allocated to the community housing sector and the remainder will be retained by public housing providers.

These properties will be in addition to the commitment to allocate up to 2700 properties to people experiencing or who have recently experienced homelessness.



'Sometimes I've slept in the back of the car. It's not bad, don't get me wrong, I'm not crying over it, I've slept in worse places. You get a bit sore in the back and a stiff neck sometimes.'

An increase in supply of public and community housing looks like one of the most effective ways to help people who have been homeless get access to housing, especially given what's been happening recently in the private rental market.

Towards Income **Management?** **Compulsory Rent** **Deductions**

As readers may be aware, one of the few conditions placed on prospective tenants under the housing first model, is that their rent is paid on a negotiated date on a regular basis.

One of the more paternalistic proposals outlined in *The Road Home* is the plan to implement compulsory rent deductions for recipients of income support who are public housing tenants. Evidence indicates that upwards of 70% of public housing tenants currently elect to have their rent deducted from their income support through Centrepay.⁷ While the logic underpinning the proposal appears reasonable and is an attempt to prevent eviction due to non-payment of rent, I know from my own experience at Housing SA, that there are a number of reasons why tenancies fail and they are frequently complex and not easily definable. Compulsory rent deductions should therefore not be seen as a financial panacea for public housing tenants. Indeed, not paying rent may often be symptomatic of deeper underlying issues, for the individual or within the household or family unit.

The issue of compulsory rent deductions raises a series of questions some of which are ideological (are we moving towards a US style conditional welfare system?), some

concerning human rights (should the state have the right to dictate how recipients allocate their income support) and others administrative (who will administer the compulsory deductions?).

Finally, there may be valid reasons why some income support recipients do not always pay their rent on time. Despite claims by right wing commentators to the contrary, income support payments are not overly generous and recipients may simply not be able to meet rental costs, if for example they need to visit a doctor or dentist or other unforeseen expenses arise at the time rent is due. Given that the majority of income support recipients are voluntarily opting to have their rent deducted using Centrepay, Homelessness Australia believes compulsory deductions should be a last resort and not applied across the board just because they happen to be income support recipients who live in social housing. ■

* *Travis recently moved from South Australia where he worked in the Office for Homelessness and High Needs Housing in the Department for Families and Communities to the ACT to commence a new role as Policy and Research Officer for Homelessness Australia. He has previously worked for the Union movement as well as in the SAAP sector.*

Footnotes

1. Australia Fair, *Australia Fair: Update on those missing out 2007* ACOSS
2. Australian Property Monitors 2009
3. Australian Property Monitors 2009
4. AHURI Yates J *The Polarisation of Housing Affordability*, August 2007
5. Australian Institute of Health and Welfare (AIHW) report *Australia's Welfare*.
6. www.housingfirst.org/about
7. *The Road Home Turning off The Tap*, P.26

The Fragile Links between Private Rental Accommodation, Quality of Life and the Threat of Homelessness for Older People

By Dr Debbie Faulkner, Research Fellow and Deputy Director, Southern Research Centre, Australian Housing and Urban Research Institute (AHURI), Flinders Institute for Housing, Urban and Regional Research (FIHURR), Flinders University

Private rental accommodation for those in society who have no other tenure choice is often a tenuous option and places many at risk of homelessness. Due to the high levels of home ownership amongst the older population the circumstances of older people in private rental accommodation are often not recognised. Consequently older people remain as one of the 'hidden' groups affected by homelessness (Green quoted in Mission Australia 2008).

While the proportion of older people living in rental accommodation in Australia has remained reasonably steady over the last 20 years, the next 20 years are going to herald a significant increase in the number of lower income older renters. Jones et al (2007), estimate that over the next two decades the number of older people in rental accommodation will increase by 115 per cent or 224,000 to nearly 419,000 persons. The increase in the number of older renters is not simply a consequence of the overall ageing of the population with the passage of the baby boomers into the older age groups, it is, and will continue to be, the result of a number of reasons including unanticipated changes in personal and financial circumstances. For example Green (quoted in Mission Australia 2008) states "that over 112,000 older Australians are in housing stress — a number that has grown 100% over the past 4 years".

A major 2006 survey of households in Australia conducted by the Southern Research Centre of AHURI (known as the *Housing 21 Survey*)¹ found that 82 per cent of renters aged 55 years and over had previously been in the home ownership market. The reasons given for moving included voluntary and involuntary factors. Relationship breakdown accounted for over one quarter of the responses, while rising interest rates, business failure/bankruptcy and unemployment together accounted for a further 11.4 per cent (Beer and Faulkner 2009).

The inability of the public housing system to cater for the needs of an increasing number

of older low income rental households will force many into the private rental market (AHURI 2004; Kendig and Bridge 2007), prematurely into residential aged care (Faulkner and Bennett 2002) and increase the vulnerability of older people to homelessness. It is difficult to establish the true number of older people who are homeless. In 2006–07, 11,300 clients or 9.4 per cent of all clients accessing homelessness services were people aged 50 years and over. Green (quoted in Mission Australia 2008) suggests this is likely to be "a significant underestimation because we know that older homeless people aren't accessing mainstream services in their true numbers. That's because they believe — most correctly — that existing homelessness services don't address their complex needs." The 2001 and 2006 Censuses attempted to enumerate the homeless population on census night. In 2006 it counted 18,108 persons aged 55 years and over that were homeless and according to the White Paper (Commonwealth of Australia 2008) the greatest proportional increase in the number of people homeless over the intercensal period occurred for people aged 55 years and over, up 30.5 per cent. These numbers do not include the many older private rental tenants and older people in unsuitable housing at risk of homelessness every day.

While theoretically, private rental allows greater choice of housing quality and locational options, with affordability and accessibility in the private rental market declining over the last few years it is very difficult for low income older people to pay rents or compete for better quality accommodation in the market place. Older people in the private housing market face additional problems such as landlords agreeing to undertake needed repairs and modifications and issues around security of tenure (Faulkner 2001). Security of tenure is a significant problem for older renters as it means they are vulnerable to frequent relocation and the associated social and emotional disruption this causes. It is difficult to provide a continuum of care services in such circumstances. Policies that relate to health, community care, social participation and overall successful ageing are premised on the fact that the housing older people occupy is stable and suitable for their needs.

Research undertaken by the Southern Research Centre of AHURI involving focus group interviews with low income private renters in Elizabeth, one of Adelaide's and

Australia's most deprived areas (Baum 2008), clearly highlighted these issues and the daily struggle that older people in the private rental market face both financially and socially (Faulkner et al 2007). Some people in the focus group had been renters all their life, with no opportunity to purchase a home, while others had fallen out of home ownership because of divorce or financial mismanagement.

Housing affordability was the most significant concern for this low income group of private renters and a central issue in their lives. A significant proportion of participants' income is needed to pay their rent, up to 60 per cent in some cases, leaving them with little for bills and day-to-day expenses. One couple interviewed stated they have \$6 per week left after all the bills and they have at times sought assistance from service providers to help make ends meet. Another man, who was also caring for his teenage daughter, said he's 'not living on the pension' and it is necessary for him to draw on the small amount of savings he has every few months to keep afloat. Many of the others did not have anything that could be called savings or an asset. If they once had a small amount of superannuation, for most it was all spent now having been released to them early under hardship provisions.

Most of this group did not have strong family support networks and social isolation was a real issue for many participants, particularly for men and the younger members of the group. The single men at the session were both quick to point out that their financial circumstance did not give them spare money to get to and be involved in social activities and they felt very socially isolated because of this.

Mobility and the threat of homelessness was a constant fact of life for people in this focus group. Period of residence in the current house varied from just six weeks to only 15 months and many of the participants had moved five or six times in the last three or four years. The need to move — often due to the end of a lease, increases in rent beyond their means or external factors such as abusive neighbours — is a huge financial burden and source of stress for participants. Many participants pointed out that while they often need to move to reduce their housing cost it was very costly connecting and disconnecting services/utilities, putting up bond money and finding assistance to help them move (given physical disabilities), let alone finding suitable and 'affordable'

housing. Some estimated that each time they moved it cost them \$1,500 to \$2,000 and this 'puts you on the back foot before you start'. Many hoped to gain some stability in their lives by eventually being offered public housing through Housing SA but being old, and for some disabled, is no longer a criteria that gives priority in public housing.

A number of policy initiatives and reforms in the last few months may have some impact on the options available to low income older people in unstable housing situations or who are homeless. Some of these initiatives are designed to improve the housing options for all low to moderate income households while others are targeted specifically at improving the situation of older people who are homeless or under threat of homelessness (Commonwealth of Australia 2008).

At a broad level older people may be assisted by the National Partnership on Social Housing whereby the Australian Government will provide funding in the order of \$400 million over the next two years to build between 1600–2100 dwellings for low income households. In addition under the National Rental Affordability Scheme, 50,000 affordable rental dwellings are to be constructed by 2012, with a further 50,000 dwellings after this date if strong demand for such housing remains (Commonwealth of Australia 2008).

A number of initiatives to directly improve the situation of the older population were also announced in the Government's White Paper on homelessness. The proposal by the Rudd Government to amend the *Aged Care Act 1997* to include older people who are homeless as a 'special group', will result in the provision of aged care accommodation specifically for older people who are homeless. Such recognition will allow providers who care for older homeless people easier access to targeted capital assistance grants. Capital will be provided for at least one new aged care facility for people who are homeless in each of the next four years. Many older people, particularly in private rental accommodation while not currently homeless, face the risk of homelessness. The ACHA program (Assistance with Care and Housing for the Aged) though very small, has over the last 20 years been very successful in helping prevent homelessness of older people and helping people access required assistance and care (put AHURI project in here). The Rudd government has recognised the utility of this program and is proposing to provide it with \$18.4 million over the next four. This funding will be targeted to existing providers to expand their services as well as allowing the expansion of the program into new regions by current or new providers (Commonwealth of Australia 2008).

All of these programs will go some way to mitigate the current level of homelessness among the older population and hopefully have some influence on future prospects of homelessness or the threat of homelessness for the increasing numbers of Australians entering the older age groups. Dealing positively with the problem of homelessness,



'There's been a few times I've slept in the car. It's scary. People walk past and it's like, "Oh God, please don't break a window."'

or potential homelessness is not just the responsibility of government but requires greater awareness and recognition within the wider community of the problem and that everyone deserves a decent place to live no matter what their age and circumstances. We all have a role to play here. ■

Footnote

1. The *Housing 21 Survey* was conducted in late 2006 and early 2007 and interviewed households across Australia investigating changing housing careers as part of the National Research Venture 2 of AHURI 21st Century Housing Careers and Australia's Housing Future. The survey included 1,197 households (of a total of 2,698 households) where the person interviewed was aged 55 years and over.

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Measuring Social Capital Amongst Public Housing Tenants in Inner North Canberra¹

By **Jeremy Boland²**
 and **Ahmed Nur³**

Background

During 2008 Northside Community Service (NCS) worked with public housing tenants living primarily in high density inner city dwellings in the ACT to determine the social capital amongst people living as part of this community. The Social Capital Survey Project was carried out by NCS' Community Development team and was funded by the ACT Department of Disability, Housing and Community Services (DHCS). The total number of effective survey respondents was 325.

What constitutes social capital and the definition of social capital is the subject of debate, discussion and study around the world. According to Nieminen et al. (2006, p. 407), 'the mutual feature in these definitions is that they define social capital as a social resource that facilitates coordination between actors, and the outcomes are thought to be the consequences of using these resources. This intentional or unintentional investment could generate better jobs, better economy, or better health etc.'

Survey Objectives and Methods

The project aimed to improve the understanding of the factors that determine social capital and its patterns and trends in the survey area. The main objectives of the project were:

- To identify patterns of social capital in multi-unit, public and community housing complexes
- To establish relationships with community members that can be mobilised and expanded upon in future projects
- To improve understanding of social capital patterns and trends in the survey area.

Using a detailed survey questionnaire developed in consultation with tenants, NCS staff identified, trained and supported key tenants as "peer researchers" who were able to assist other tenants in their own communities to provide responses to the survey. The survey instrument asked for responses to questions relating to dimensions of social capital and the socio-

demographic characteristics of respondents. While socio-demographic characteristics included gender, age, identity and language, living arrangements, education, and employment status, the dimensions of social capital focused mainly on internationally accepted elements of social capital including participation in the local community, positive identity, positive values/ social competencies, trust and reciprocity and relationships with neighbourhood, family, friends and workmates.

Survey Results and Analysis

Analysis of the socio-demographic information received from the respondents reveals that:

- The gender mix of respondents was relatively balanced with 55% being female and 45% male. One-fifth (20%) of respondents were aged 55 and over with the rest distributed evenly between the other age groups.



¹ 'I often wake up in the middle of the night and don't know where I am. I look at the window and I think it's a doorway and it's all over the place. The feet hang off the edge of the couch and you're trying to get comfortable. You just have to spend a sleepless night.'

- Approximately one-third (32%) of respondents identified as Aboriginal and Torres Strait Islander. Over one half (54%) of respondents identified mostly as Australian and/ or did not wish to disclose their cultural identity. A majority of 88% of respondents spoke English at home.
- Close to one-third (28%) of respondents lived alone. Respondents who lived with a partner or within extended and/ or blended family resulted equally (19%). Both senior groups (46–55 and 55 and over) had above average percentages for 'living alone' and 'living 15 years or more' in their housing complexes.
- 50% of respondents reported their educational attainment as 'Below Year 10' or 'Year 10 and equivalent', followed by those who had completed Year 12 (19%).
- The rate of employment was low with 62% of respondents reporting 'unemployed'.

The dimensions of social capital were captured in selected elements such as:

- Participation in the local community
- Positive identity
- Positive values/ social competencies
- Trust and Reciprocity
- Safety in the home and neighbourhood
- Connections/ relationships (family, friends, work, etc.)

The analysis of respondents' responses to the survey indicates that:

1. Participation in the local community is strong, evidenced by the high proportion of respondents interested in groups or clubs within their local community. Furthermore, the length of time living in a community seemed to have the greatest influence on the level of social and civic participation.
2. Approximately 60% of respondents believed honesty, caring about others, trustworthiness and standing up for themselves/ others were positive values. Depending on gender, age and education, on average, 59% of respondents believed they have control over decisions that affect their life and were happy with their current life situation. University leavers showed a higher sense of happiness indicating a positive correlation between education and happiness.
3. Over one-third of respondents felt uncomfortable loaning money to anyone. No particular reason/ s were requested or supplied, however an individual's level of trust or disposable income could be a factor.
4. Burglary, safety in the home and the

neighbourhood is identifiable as an issue. For example, 31% of respondents have experienced burglary, 29% reported they were attacked while in their own home and 40% said they had experienced threats while they were on the street.

5. However, connections and relationships with family, friends and the neighbourhood are strong with an overwhelming number of respondents (80%) maintaining close and recent contact with family and friends and 76% reporting that they have at least one friend outside their neighbourhood. It is evident there is a sense of community in the survey area.
6. Because of the low level of economic participation, (36% of respondents are employed), respondents' experiences with teamwork and workplace culture/ friendships are limited.

Key Trends and Relationships

1. The survey investigated selected elements of social capital and socio-demographic characteristics among public and community housing tenants living in Canberra's Inner North including gender, age, identity and language, living arrangements, education and employment. Respondents aged 55 years and over dominate among the residents surveyed in the area. These people tend to stay in the same public housing site for an extended period indicating increased opportunities to form stronger bonds within their neighbourhood.
2. The majority of respondents had attained a Year 12 education level or below. There is no significant difference in the level of education between men and women.
3. Indigenous people comprised approximately one-third of the respondents. This is a relatively high representation compared to the overall population in the ACT (1.2%).
4. Almost one-third of respondents live alone with approximately one-fifth each living with a partner or within an extended family.
5. Unemployment is high among respondents with no significant difference between men and women.
6. Participation in the local community is strong as indicated by the high proportion of respondents participating in and interested in participating in groups or clubs within their local community.
7. Two of every three respondents value honesty, kindness and trustworthiness, are happy with their current life situation and

confirm they have control over decisions that affect their life. The evidence suggests that education relates to a stronger sense of happiness and achievement.

8. Trust and reciprocity within the community when it comes to lending money is quite low though respondents do not give any particular reasons for this.
9. Experiences of threats and violence in the home and neighbourhood are not uncommon. Almost one-third of respondents have experienced burglary and attacks while in their home. Close to half of the respondents have been threatened or attacked while they were in their street. One thought from the strong interest in local community affairs could be to mobilise and form a "Neighbourhood Watch" initiative to work on reducing these incidences.
10. An overwhelming percentage of respondents maintain close and recent contacts with family, friends and people living in the neighbourhood. This is a strong indicator of a person's social inclusion. The positive health impacts of such social connectedness can hardly be underestimated. In addition, increased economic participation could foster wider community connections.

The social capital status of residents living in multi-unit public housing complexes in Canberra's Inner North is characterised by strong participation in the local community, close contacts with friends and family, regard for positive values (honesty, caring and trustworthiness), positive feelings of happiness and a sense of control over their lives. However, when it comes to lending money, feelings of trust and reciprocity are low. Additionally, feelings of safety are diminished by violence and participation in education and economic activities is low. Nonetheless, the strong sense of positive values and community connectedness should be actively mobilised to improve safety and community wellbeing along with promoting wider social and economic opportunities. Ultimately, the investment and mobilisation of resources would foster improved outcomes relating to social capital. ■

Footnotes

1. References available on request. A full copy of the final report is available at Northside Community Service's website www.northside.asn.au
2. Jeremy Boland is Executive Manager of the Community Services and Development Department at Northside Community Service in the ACT. He is also a PhD Candidate in the College of Law at the Australian National University.
3. Ahmed Nur is a Community Development Facilitator at Northside Community Service.

Making the Invisible, Visible: The Issue of Housing Affordability for Homeless Women in New Zealand

By Kate Bukowski*

Introduction

At present in New Zealand there are very few housing options available for women who do not have permanent, safe or secure housing. This is especially so for single women. Affordable housing is a pressing issue for these women. The Forgotten Women study found that single women were finding Housing New Zealand housing difficult to access due to long waitlists. 41% of all respondents found that the lack of affordable housing was a barrier to them securing and sustaining accommodation. This article outlines the key issues related to affordability that the women in the Forgotten Women study discussed, it recommends that the New Zealand government and the social services sector work to provide more affordable housing in the form of state housing, social housing, emergency and transitional accommodation. The establishment of a bond bank has also been recommended.

This article reiterates that these women need to be empowered so that they can start to make the decisions which will improve their housing situations. Service providers must ensure that service users do not become dependant on their service but instead support the women to gain control over their lives.

Housing Affordability in New Zealand

The fact that unaffordable housing can lead to homelessness is not new. Austerberry and Watson's seminal study of homeless women (Austerberry and Watson, 1983), found that one key causal factor of women becoming homeless and ending up in shelters (n102) was a lack of affordable housing for single people.

Since the 1970s, New Zealand has seen an increase in homelessness and a decrease in home ownership (Smith, Robin, and Abbott, 1992). The 1960s saw a huge rural to urban shift for many Maori; urban centres grew people migrated to the main centres to work as the farming sector decreased. There was also an increase in childless, single parent and one-person households (Smith et al., 1992).

The fourth Labour government of 1984–1990 and the National government of the 1990s shifted the focus away from housing and other social services as they tried to curb inflation and economic stagnation through neo-liberal reforms by privatising state assets and cutting government spending and deregulating the economy (Bang, 1998).

The 1990's lack of government housing meant people with mental health issues who had relied on the health system fell through the cracks (Padgett, Hawkins, Abrams, and Davis, 2006). The after shock of the stock-market crash in the late 1980s saw an economic downturn that meant an increase

in unemployment. Subsequent issues such as overcrowding, mental and physical health issues and social exclusion were all key contributors to increasing homelessness. By 1998, it was estimated that between 60,000–100,000 people were without adequate accommodation (Smith et al., 1992). Around this time, research was starting to demonstrate that housing problems were disproportionately affecting Maori and Pacific families, women-headed households, the elderly and people with physical and psychological conditions (Smith et al., 1992).

Now, as populations continue to rise in urban areas and people are marginalised further through increased cost of living, privatisation and changes in the welfare and health systems, a number of issues have emerged for many different groups. For Maori, this means they represent fifty percent of primary homeless people in Auckland (Ellis and Holt, 2007). For other groups, such as single men, women (especially pregnant women) and non-heterosexual and transgender populations, the risk of marginalisation is even greater (Wright and Tompkins, 2006).

There has been much more research and policy attention on pregnant women and women with children seeking emergency accommodation than on single women. In New Zealand, this means that women with children are given priority by Housing New Zealand and by the many social services and refuges providing emergency and supportive accommodation. When this is translated into policy and practice it means that single women are left without affordable or safe housing options. Such a situation has been shown to trigger mental health and substance abuse issues due to stress and possible trauma of living in unsafe, violent environments, often where alcohol and drugs are in abundance (Chamberlain, Johnson, and Theobald, 2007). The loneliness and isolation these women endure can lead to them becoming withdrawn and, consequently, further hidden. This can perpetuate them becoming further entrenched in the homeless world.

Methods

Forgotten Women was a three part research study. Firstly, 191 homeless women responded to a questionnaire. Secondly, 22 women participated in five focus groups that were conducted around Auckland for women who were homeless. A Photovoice project was then carried out with six women who





took photos of their experiences of being homeless. The project aimed to empower the women and facilitate their ability to voice their needs. The photos which illustrate this article are from the Photovoice project.

Findings from the Forgotten Women Study

Affordability

Nearly one third (31%) of questionnaire respondents reported that high rents were a contributing cause of their homelessness. In the self reported comments from the questionnaire three respondents living in South Auckland reported the following experiences:

'Low income, couldn't handle living in caravan, got robbed.'

'Rent is getting too dear, let alone food prices.'

'I got behind in my last home six years ago, my landlord didn't kick me out. I just couldn't come up with the arrears got afraid and ran way. Left everything of my kids and mine behind.'

When asked what the barrier was to the women securing and sustaining accommodation, the most commonly reported response was the lack of affordable housing (41%).

In the PhotoVoice study the biggest barrier to getting housed was also the affordability of housing. One woman in central Auckland described her situation:

'I am finding my accommodation at the moment quite hard, because my rent is so high in Uni, University. It is \$245 so that has kind of blown all my pocket money and everything, so I am a struggler just like them. It is just that I am not going to give it up. I need a roof under me, you know — above me. And I do not mind ... I have tasted the streets and I have tasted the anger and everything else, and at the moment I am fighting for a Housing Corp house, and it has taken me — this is my ninth year.'

Housing New Zealand

In the focus groups participants discussed not being able to afford market rents. Due to Housing New Zealand waitlists being very long, they said that they were not able to get an affordable place to rent. For women with children and women with mental illnesses this was especially difficult. Single women often found that Housing New Zealand was not responsive to their housing

problems. This was often due to women with children being prioritised by Housing New Zealand. In addition, private market landlords and real estate agents seemed to favour couples over single women.

Bonds

A further theme which emerges from this research was the problem that many respondents had with bonds. These problems arose for two reasons. Firstly, due to low incomes many were not able to afford bonds. Secondly, it was difficult to get bonds back from landlords in order for them to be used for the next house or flat. One woman in her 30s said: *'I want to find my own house, but the finance, the bond is hard to get'*. In the focus groups two women on the sickness benefit due to mental illness said they were both finding it hard to get a bond together that would enable them to live independently.

Overcrowding

Women from Auckland talked about overcrowding being a cause of their homelessness as well. One PhotoVoice participant had been living in an apartment until it had become so overcrowded she would go and sleep in Victoria Park to get away from the noise and parties. The apartment had one bedroom and bathroom but often 12–15 people would sleep there overnight. She would come home from work to parties, if she had a shower, she was rushed out when somebody wanted to use the toilet. She gave up her job as a result of the stress. One day she came home to find her sleeping space had been taken and so she moved out. She was hurt and couldn't handle it anymore.

Recommendations

Internationally, it has been shown that in the case of both single homeless men and women, the most effective programmes involve weaning people off the street and the availability of affordable housing. For street dwellers, this may start with offering them food, a shower and a place to rest. Once people become interested and ready for more permanent housing, they must be in neighbourhoods where they feel comfortable (Glasser, 1994). It is important to get women housed before they become totally disempowered. It is shown in the literature (Chamberlain et al., 2007) as well as in the focus group and PhotoVoice findings that the longer women are homeless, the less likely they are to secure and sustain permanent accommodation.

Services must also be mindful that they are empowering women to make decisions for themselves and not advocating for them so much that service users become dependant on their support and assistance.

While the Auckland City Council has a Home Action Plan, there are no specific points to address women who are homeless and the specific issues women face when they access services that work predominantly with homeless men. The Homeless Action Plan also does not address the issues of violence and abuse homeless women face in boarding houses.

These are both pressing issues.

The key recommendations from this research are that there needs to be:

1. More emergency and supported accommodation for single women and women with children.
2. Additions to the stock of affordable housing by Housing New Zealand.
3. Improved Housing New Zealand housing stock so it is warm, dry and energy efficient.
4. The establishment of a bond bank run by non governmental organisations or a government agency.
5. Coordination between housing services: This would ensure a wraparound service is provided to women vulnerable to homelessness so that these women do not slip through the cracks. This could be achieved by having case managers who specialise in housing assistance placed in existing services who can support and assist women seeking accommodation as the Methodist Mission's Lifewise Programme is currently doing in Auckland City.
6. Advocacy and support services for women experiencing accommodation difficulties: The women were adamant that they wanted support, assistance and advocacy to assist them to gain housing. The fact that women wanted advocacy and support can be seen to be tied in with the discrimination and powerlessness they often faced. The majority of women wanted family or people they knew to support them. They were also clear about the type of support they wanted from agencies. One focus group participant said on the topic:

'A lot of women have to suffer a lot of abuse and trauma because they don't know how to get out; they haven't got that support. They've only been brought up with that sort of thing so they don't know anything else. So that is part of the problem, ignorance in the community about how do I reach out for help. How do I get my needs met? How do I get support for myself?'

The issue of these women wanting advocacy and support may require a response from government and nongovernmental organisations. Women experiencing homelessness or housing problems are quite likely to approach community agencies. This relationship suggests that these agencies are best placed to provide the necessary advocacy and support but they will need to be resourced adequately to do so.

'Listen to women; be more open to what they want to say and what their needs are. I would love to grow up and be an advocate for women because I have been there. I know

what's happened and just to say to people keep sticking at it, keep going back to the organisations and say "Hey, I need this house, you're meant to be there to help me." There needs to be strong women out there to say, "Hey, these women need help, what can we actually do as a community to help them?"

Conclusion

Women who are without permanent, safe or secure housing in New Zealand need more support to be able improve their housing outcomes. This could be done by existing agencies providing more specialised housing assistance. More affordable housing is also needed which is warm, dry and safe. There needs to be additional emergency and supported accommodation as well as permanent accommodation available for women vulnerable to homelessness. However, new services must be appropriate to the needs of this group and aim at empowering them so they do not become entrenched in the homeless world or dependant on homeless service providers. ■

* Kate Bukowski was employed by The Salvation Army to conduct this study. She is currently completing a Master of Public Health at the University of Auckland.

A full copy of the Forgotten Women report will in the future be able to be downloaded from:

www.salvationarmy.org.nz/research-media/social-research/social-policy-and-parliamentary-unit

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Dual Hardships: The Conjunction Between Employment and Renting in Japan

By **SHIGA, Fumiya**

In Japan at present, if you lose your job and can not afford the rent, you may be expelled from your room. While this should not happen, there is the possibility that it could happen to anybody. Indeed the problem could come up very quickly in Japan. The villain of the piece is in tight relation between part-time for irregular employment and housing for the workers.

According to one homelessness researcher Masami (2007, 2008) who is one of the leading researchers and educators on the homeless issues in Japan, rough sleepers are categorised in 3 types as follows:

Type 1: Those who have been consistently stable with social insurance and who have lived in an ordinary apartment before becoming homeless

Type 2: Those who have been stable but who have lived in a dormitory specifically provided for workers, especially day labourers before becoming homeless

Type 3: Those who have for long time, been consistently unstable in working and renting

Type 1 are persons who accidentally tumble into homelessness through a mixture of unemployment, bankruptcy, divorce and so on. These people have relatively high academic careers and used to be in mainstream of society.

For Type 2 where there is the strongest tie between both job and housing loss, these people often lose their jobs and housings at the same time. They easily and immediately go down into a "housing poor" situation where they cannot find other housing for themselves after losing their jobs. According to the paper by UTSUNOMIYA Kenji, a lawyer who is creating the Anti-Poverty Network, there is an outstanding shortage of social housing managed by the Japanese Government (2009). Clearly what is needed is for local government in Japan to rethink their social housing policy and provide enough rooms or houses. These should be open to people in Type 3 homelessness as well.

People in Type 3 lead a rugged life and experience long term social exclusion. They have often been disadvantaged from in their early life, have lower academic carriers, are unmarried, only have daily employment etc.

Type 1, Type 2 and Type 3 make up approximately 35.0%, 28.9% and 35.3% respectively of the homeless population (IWATA, 2008).

It was estimated in 2007 that 5,400 irregular workers like day labourers lived in "Internet Cafes" across Japan. They are obviously people experiencing homelessness and Japanese government has described them as vulnerable workers who are deprived of home/house. They

are, however, distinguished from homeless people. Why is this so? The answer given is that allegedly, they are not homeless because these people are neither roofless nor rough sleepers.

Finally, there remains the long-time question of the welfare benefit and renting. When a person falls into extreme poverty, with no job, housing, financial assistance or social support network, you would think that such a person would not hesitate to apply for a welfare benefit. This ought to be very natural thing. However, such people are often asked by a case worker at the welfare office "where is your new home to receive your welfare benefit?" Unfortunately this situation is not uncommon. It really happens. The Health, Labour and Welfare Ministries tell local governments that such disadvantaged people should be protected at the place where he or she are located. Unfortunately local governments are reluctant to show active commitment to these people for fear of an increased fiscal burden to them. ■

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Chapter 2: Policies on the Edge

The Rental (Assistance) Crisis

**By Toby Archer,
Policy and Liaison Worker,
Tenants Union of Victoria**

Ask any renters who have moved house in the past year and they will tell you it's increasingly difficult to secure a property, let alone find one that is well located and affordable. The newspapers regularly report the steep rises in rents and the lowest vacancy rates since records began. New public housing developments have been at their lowest level for 30 years. It has become difficult to find words to describe how tough it really is. The phrase 'rental crisis' roles effortlessly off the tongue without doing justice to the problem.

What is the state of the rental market and what can the government do about it any way? In particular, at a cost of over \$2 billion, does the Commonwealth's largest housing assistance package (Commonwealth Rent Assistance) actually deliver affordability?

The Context

The private rental market arguably plays a more significant role now than at any other time in Australia's history as a property owning democracy. The Australian housing system has been based on majority home ownership, long term public rental housing for low income households and transitional private rental. The private rental market has always failed to provide enough affordable housing to those who need it. However, private rental is no longer a transitory tenure, becoming the forced choice for a growing number of low to moderate income households. The story is well know but is worth retelling briefly.

A number of drivers are at play. Aggregate housing demand has grown due to both economic and demographic factors. Real house prices have increased relative to income. The mismatch between incomes and prices is particularly evident in home ownership rates of younger households, which have declined significantly over a generation. Home ownership fell from 65 per cent in 1981 to 57 per cent in 2006 for people aged 25 to 39, with the 25 to 34 age group falling from 61 percent to just over 50 per cent.¹ The decline in social housing stock has been significant. Public

housing has declined by about 30,000 dwellings in the decade to 2006.² Nearly 200,000 Australian households are now on waiting lists for public housing.³ Inadequate investment has resulted in increased targeting of high needs households reducing State Housing Authorities' capacity to provide housing to those on moderate income households.

The outcome of these processes is that the private rental market now accommodates approximately 1.7 million households and

houses the overwhelming majority of low-income households, with the exception of home owning retirees. The overall growth in stock has masked the fact there has been a contraction in the proportion of private rental properties affordable for low income households. The chronic undersupply of affordable private rental is most acutely felt by low income households. In 2006, there was an overall shortage of affordable and available private rental housing suitable for low income households in Australia equal to 251,000 dwellings.⁴



'You get an employer to ring up and they hear it's a shelter, they make a judgement on you straight away.'

Table 1:
Maximum rate of CRA as a proportion of median weekly rent, by capital city, 1995 and 2007a, per cent

	Single, no children			Couple, no children			Single/couple, 1-2 children			Single/couple, >2 children		
	1995	2007	% ch	1995	2007	% ch	1995	2007	% ch	1995	2007	% ch
Sydney	18.5	17.0	-1.5	17.4	16.0	-1.4	20.3	20.0	-0.3	23.2	22.6	-0.6
Melbourne	23.4	19.5	-3.9	22.1	18.4	-3.7	25.7	22.9	-2.7	29.3	25.9	-3.4
Brisbane	21.9	17.6	-4.4	20.7	16.6	-4.1	24.1	20.6	-3.4	27.5	23.3	-4.2
Adelaide	25.1	20.3	-4.8	23.6	19.1	-4.5	27.5	23.8	-3.7	31.4	26.9	-4.5
Perth	27.0	16.0	-11.0	25.5	15.1	-10.4	29.6	18.8	-10.9	33.8	21.2	-12.6
Hobart	23.4	18.8	-4.6	22.1	17.8	-4.3	25.7	22.1	-3.6	29.3	25.0	-4.3
Darwin	14.0	11.7	-2.3	13.2	11.0	-2.2	15.4	13.8	-1.6	17.6	15.6	-2.0
Canberra	20.4	14.2	-6.2	19.2	13.4	-5.8	22.4	16.7	-5.7	25.6	18.9	-6.7
All capital cities	21.4	17.7	-3.7	20.2	16.7	-3.5	23.5	20.8	-2.7	26.8	23.5	-3.3

Source: Australian Bureau of Statistics (2008a; 2008b), Department of Families, Housing, Community Services and Indigenous Affairs (2008), Real Institute of Australia (2008a; 2008b)

Note: a. The 1995 estimates are from the March quarter of 1995. The 2007 estimates are from the December quarter of 2007.

The State of the Market

A check of the vital signs of the rental market reveals a system under severe stress. While current vacancy rates vary across capital city and regional markets, they are now almost universally at historically low levels. The generally acknowledged equilibrium point in the market is a vacancy rate of 3 per cent of total stock. In Melbourne, the latest data reveals the vacancy rate continues to hover around one percent.⁵ Industry data for January 2009 indicates vacancy rates below one per cent both in Melbourne's inner city and outer suburban areas as well as for some regional markets such as Bendigo.⁶ These trends are comparable to those at play in each capital city.

Simply, this means there are very few properties available to rent to a growing number of households. Even while property costs are flat or declining, rents continue to skyrocket. The gap between supply and demand is significant. The National Housing Supply Council estimates an additional 26,000 vacant private rental properties would be required in 2008 alone to achieve a balance between supply and demand in the overall market.⁷ Importantly, this does not mean there is enough affordable rental housing. Even when the general vacancy rate has been balanced there has still been a shortage of affordable stock.

Unsurprisingly, the impact is greatest on lower income households. Research by the Judith Yates has found 65 per cent of low income private renters or at least 600,000 households are currently experience housing stress.⁸ A household is experiencing housing stress if it is in the lowest 40 per cent of income distribution and spends 30 per cent or more of its weekly income directly on housing. Just 6.6 percent of properties let in Melbourne during the December 2008 quarter were affordable for low income earners compared to 16.8 percent in 2007.⁹

Rents and Rent Assistance

Recent research commission by the Tenants Union of Victoria provides an even more powerful illustration of the rental crisis.¹⁰ At the heart of the problem is the inadequacy of CRA, the Commonwealth Government's largest housing assistance program.¹¹ In 2007–08 there were an average of 944,000 individuals and families receiving CRA.¹² While the payment is based on the premise the CRA is only intended to make a contribution to affordability, given the structure changes in the Australia housing system it plays an increasingly crucial role.

Median real weekly rents across all capital cities rose from \$164 in March quarter 1995 to \$214 in December quarter 2007, an increase of 30 per cent. In Melbourne, median real weekly rent has risen from \$150 to \$196 in the same period, or 31 per cent in real terms. Crucially, the maximum rate of CRA remained relatively constant in real terms over the same period.

Home purchase has also become less affordable, making the chances of renters transitioning into home ownership even more slim. House prices in the period 1995–2007 boomed, rising much more rapidly than rents. Across capital cities, the real median house price rose by 119 per cent, meaning it more than doubled since 1995.

In nominal terms (unadjusted for inflation) Melbourne median weekly rents have increased from \$150 to \$270 per week, or by 80 per cent. Meanwhile, the maximum rate of CRA has risen (in nominal terms) by 50 per cent for singles and childless couples, 61 per cent for families with 1–2 children, and 59 per cent per cent for families with more than 2 children. This illustrates the lag between the assistance Melbourne renters receive and their housing costs.

The most direct indicator of whether CRA is adequately performing its intended task is to model how many cents in each dollar of median weekly rental payments are

rebated by the maximum CRA payment. This demonstrates whether CRA has kept up with the rent increases explained above. Table 1 shows the maximum CRA rate for four categories of recipients as a proportion of rent and how this changed over the period 1995 to 2007 across each capital city.

The research reveals a universal trend of CRA lagging significantly behind rent increases. CRA covers a smaller proportion of rent now compared to 1995 for all CRA recipients in each capital city. Renters in Perth are clearly worst off, with the proportion of rent rebated by CRA dropping in excess of 10 percentage points for all recipients. Sydney and Darwin renters fared better than most, largely due to the fact CRA covered a significantly lower proportion of rents in markets that were already tight in 1995. Melbourne renters CRA payments now cover a smaller percentage of median weekly rent, down to below 20 percent for singles and childless couples, 22.9 per cent for parents with 1–2 children and by more than 25 per cent for parents with more than two children. CRA is least effective for singles renters.

Significantly, the research found there is a much stronger positive relationship between house prices and rents than maximum CRA and rents because CRA has failed to keep pace with weekly rents in all cities. This puts paid to the argument that CRA inherently inflates rental values as house prices are in fact the key driver.

Policy Responses

Predictions on the medium term future of the private rental market are not good. Many rental market commentators predict a bleak long term outlook, with poor investment trends.¹³ Modeling by Yates indicates that total number of households in private rental is expected to increase by 80 percent to 3.3 million in 2045. Worryingly, the number of lower income households in housing stress is projected to increase by 84 percent.¹⁴ As the bottom segment of the market comes

under increasing pressure to deliver affordable rents to low income households, the role of CRA will become more important.

Given that a third of households receiving CRA currently devote more than 30 per cent of income on rent, the need for government to act is clear.

What can governments do address housing stress for renters? There have been two key responses from the Rudd Commonwealth and Labor State governments, both aimed at supply.

Firstly, there has been a focus on supply of new social housing through the economic stimulus package. The 20,000 new social housing properties are a welcome injection, but will not fix the overall problem. For example, the 5,000 properties allocated to Victoria may reduce the 30,000 plus public housing waiting list but will not make much of an impression on the overall number of renters living in housing stress.

Secondly, the National Rental Affordability Scheme will provide rental housing at 80 per cent of the market rent. That is, cheaper, not necessarily affordable rent. Even 80 per cent of the market rent for a property in middle ring suburbs will still not be affordable for most low income households and could actually be more expensive than existing low cost properties. It is important to note that NRAS follows the trends of the market, it does not correct them.

These responses ignore the potential of consumption or demand side solutions to relieving rental stress. It must be emphasised that affordability is a function of multiple factors, including household income, rents and a supply of housing which meets demand. Thus policy responses should address demand aspects as well as supply mechanisms.

Given the failings of CRA detailed above, the Rudd Government should at very least review CRA to ensure that it best meets the needs of low income renters. Unfortunately, Commonwealth Minister Tanya Plibersek has steadfastly refused to consider increasing CRA payments.

The Tenants Union of Victoria believes the Commonwealth Government should reform CRA so that no recipient experiences poverty after paying their housing costs based on a minimum standard for particular household types. This means increasing the proportion of weekly rent covered by CRA payments for recipients by:

- increasing the maximum payment;
- indexing the maximum payment to median rent movements;
- increasing the rate of CRA per dollar of rent paid;
- introducing an additional payment for regions with significant employment opportunities;
- abolishing the sharers' discount, and;
- reviewing eligibility for higher income households.



'They say to ring up after five o'clock and I ring up at five o'clock and they say sorry, the emergency bed's just been given away. I suppose blokes hang around outside, waiting for spot on five o'clock and as soon as 4.59 comes, mate, they're on the phone.'

State governments also have a key role to play by reforming residential tenancies legislation to outlaw the practice of rental bidding and providing greater safeguards to ensure landlords can only increase rents for existing tenancies by fair margins.

Unless governments take action soon, the rental crisis will be further entrenched in the low cost segment of the market. Given Prime Minister Rudd tells us we have witnessed the sunset of Howard-era neo-liberalism, governments should use all the potential policy options to reduce rental housing market dysfunction. ■

Footnotes

1. J Yates, H Kendig et al (2008) *Sustaining fair shares: the Australian housing system and intergenerational sustainability*, Australian Housing and Urban Research Institute.
2. Australian Institute of Health and Welfare (2007), *Australia's Welfare 2007*.
3. Australian Institute of Health and Welfare (2008), *Public Rental Housing 2007-08*.
4. National Housing Supply Council (2009), *State of Supply Report*.
5. Office of Housing Victoria (2009) *Rental Report December Quarter*, 2008.

6. Real Estate Institute of Victoria (2009) Vacancy Rate data 11 April 2009, www.reiv.com.au accessed 15 April 2009.
7. National Housing Supply Council (2009), *State of Supply Report*.
8. Yates et al (2007), *Housing Affordability: a 21st Century problem*, Australian Housing and Urban Research Institute.
9. Office of Housing Victoria (2009) *Rental Report December Quarter*, 2008.
10. The following section draws on research titled 'Commonwealth Rent Assistance in the context of rising housing costs since 1995' prepared in 2008 for the Tenants Union of Victoria by the AHURI/NATSEM Research Centre RMIT University.
11. CRA is paid at a rate of 75c for every dollar paid by the recipient above the minimum threshold until the maximum rate is reached. Maximum rates vary according to factors such as household make up and rent payments.
12. Australian Institute of Health and Welfare 2008, *Housing Assistance in Australia 2008*.
13. *Australian Financial Review* (2009) Cloud of rental crisis not likely to life anytime soon, 16 April 2009.
14. Yates op cit

Private Rental as a Supply-side Response to Homelessness

By Craig Johnston,
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We know that private rental housing is an important source of housing for homeless people. Data from the Supported Accommodation Assistance Program show that the biggest proportion of clients of that program who needed assistance to obtain or maintain independent housing exited to private rental. Indeed, this was more than a third (39%) of those clients in 2007–08. (See Figure 1.)

Added to this, we know that the private rental market is an important source of housing for very low-income households, with private renting households comprising 54% of the lower-income households in housing stress.

It is therefore intriguing that supply issues around private rental do not seem to have much prominence in public policy responses to homelessness. There is no explicit addressing of this in the Commonwealth government's White Paper on homelessness, *The Road Home* (2008). In some other jurisdictions, such as Edinburgh city council, there is an explicit strategy on the role of the private sector in meeting housing need and an explicit link to the city's homelessness strategy.

It is very common to see private rental housing as the problem, and issues around unaffordability and insecurity present undeniable risks of homelessness for very-low income and disadvantaged renters. It is very uncommon to identify the role of private rental in a suite of possible solutions.

A common response to the problems in the private rental market is to advocate for more public housing as the alternative. But there are twice as many low-income people eligible for public housing who are not on the public housing waiting list as there are people who are on the public housing waiting list. A national survey of private renters in receipt of Commonwealth rent assistance who were not on a waiting list for social housing found that an overwhelming majority, 80%, did not consider public housing as a suitable housing solution for them (T Burke, C Neske and L Ralston, 'Entering rental housing', AHURI, 2004). Nearly a third (31.5%) considered that it would only be a last resort for them; a tenth (13.9%) said they would never consider it; and just over a third (36.5%) said they would consider it only if they could not afford the rent where

they were anymore. The reasons given by those very-low income renters for preferring to live in private rental were varied. The key point is that from a consumer choice perspective, the supply of (and affordability in) private rental housing are challenges that need creative public policy responses.

Private rental housing is being used by some state housing agencies as temporary emergency housing. Making it work for medium- or longer-term housing is another matter. There are a number of government schemes that source housing from private owners on a leasing basis but then turn the properties into social housing by having them managed by government or nonprofit agencies. Defence Housing Australia's leaseback scheme, Housing NSW's headleasing program (for public housing) and community housing leasing program, and the Queensland Department of Housing's community rent scheme are in this mould. Similarly, the Mental Health Coordinating Council of Australia report, *Home truths* (March 2009), refers to the northern NSW nonprofit service, On Track Community Programs, doing a similar thing. It arranges directly with private housing owners to do the property management of their dwellings, for a fee, and it does the tenancy management and provides support to tenants, being the agency's clients who are people with a mental health issue.

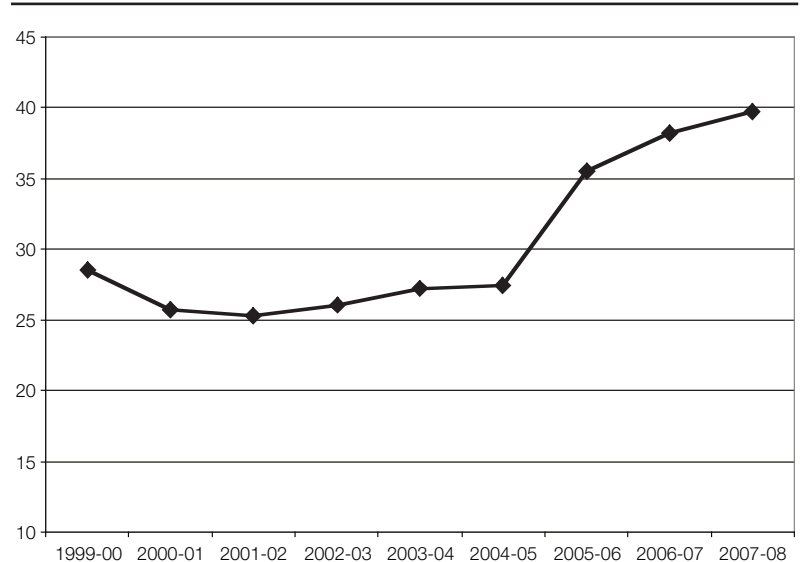
Beyond these programs that borrow private sector housing, there is the question of how this important sector might systemically work as a source of sustainable low-rent housing.

Here we are confronted with the reality of key dynamics affecting any private good, like profitability as a driver for supply and a direct relationship between price and quality.

You have to ask why people who own houses would want to rent them out to other people. There are many owners who do not want any return on dwellings they do not live in; indeed they do not want anyone else living in those dwellings either. The National Housing Supply Council identified over 800,000 unoccupied private dwellings in Australia (*State of supply report 2008*, March 2009). But most investors and owners of dwellings they do not want to live in do want those dwellings to generate income. Some owners might be prepared to accept a smaller income stream because they are 'community minded', a characteristic that is important for services like On Track Community Programs'. But most want to maximise rental income.

The problem is that residential property is not a particularly lucrative area to invest in. The main attraction has been an expectation of long-term capital gain. In addition, there are some tax arrangements in the Commonwealth tax system, concessions and a capacity to 'negatively gear', that

Figure 1:
Proportion of SAAP clients in private rental after a closed support period in which the client needed assistance to maintain or obtain independent housing



Source: AIHW SAAP national data reports



'It would be a bit of privacy. A place to be clean in, and have a shower. Do it without everybody else walking around you. Those little things, they mean a lot when you haven't got them.'

are attractive. As an investment class, it does not perform as well as commercial property, and it also competes with other types of assets. For this reason, rental housing does not seem to have attracted either institutional investors (banks and such) or large-scale residential investors (businesses who specialise in investing in and developing rental housing), who place greater weight on the income component of an investment's total returns. In contrast, smaller buy-to-let investors give greater weight to capital gains.

Recent studies in England and the USA have not been upbeat about the prospects of attracting institutional investors into this market in large numbers and quickly.

In England, the government commissioned a report from York University on the contribution and potential of the private rented sector (J Rugg and D Rhodes, *The private rented sector: its contribution and potential*, University of York, 2008). The authors noted the lament by some commentators about the lack of large-scale institutional investment in private rental —

though there have been developments of larger-scale private rental developments targeted to university students. But the authors suggested that there were few large landlords operating at a scale for institutional investment to be appropriate. They argued that the cottage nature of small-scale landlordism has some consumer benefits, primarily from the uncoded 'sweat equity' of those landlords in managing their properties, which is not priced into rents. They concluded that the main policy challenge was to help good landlords to expand their portfolios. This help should

extend to small and large landlords, since the larger landlords that were there tended to grow through portfolio acquisition rather than new-build.

In the USA, a Harvard University paper suggested that the first premise of a rational policy toward (smaller unit) private rental was that its preservation '*under continued dispersed private ownership*, is a sound, even essential objective' (A Mallach, 'Landlords at the margins: exploring the dynamics of the one to four unit rental housing industry', Joint Centre for Housing Studies, Harvard University, 2007). It thought that a major shift to ownership by large corporations or real estate investment trusts ownership would not materially change the fundamental pattern of ownership of this stock in the foreseeable future.

The USA, of course, provided the inspiration for Australia's National Rental Affordability Scheme (NRAS), in the form of their Low-income Housing Tax Credit. The NRAS is the most innovative initiative taken by the Commonwealth government to promote affordable rental housing, and the boldest. The degree to which it will contribute to increased supply of mid-market rental housing managed by *private* providers is still unknown. Many jurisdictions have chosen to tie the subsidies from this scheme to their plans to increase the supply of community housing, and indeed the private financing and leveraging aspects of the scheme make it the best path to increasing the supply of social housing in the medium-long term (beyond the pump-priming of the 'Nation-building and Jobs Plan' national partnership payment and the Social Housing national partnership payment which is also short-term and has an immediacy linked to homelessness-reduction targets).

The data provided in the public arena so far on the NRAS, from the round 1 offers, do not lend themselves to easy analysis of the extent to which the scheme will encourage supply of mid-market rent *private rental*. While it seems that at least 52% of the dwellings subsidised from round 1 will be managed by community sector agencies, that no more than 8% will be managed by government agencies, and at least 6% will be managed by private providers, a third of the dwellings might be managed by either nonprofit or for-profit landlords depending on the proposal: this information is not in the public domain.

What is novel about this scheme is that — of all the Commonwealth taxation concessions that assist investment in private rental housing (negative gearing, etc.) — this is the only one that links such a tax concession (in this case, a tax credit valued at \$6,000 per dwelling, indexed, for 10 years) to a consumer outcome. The scheme's tenant eligibility and rent-setting guidelines do not require targeting to very-low income tenants and payment of low rents, though they do not prevent this. But they do assume a product

for the 'intermediate' market. The Commonwealth presents this scheme, not unreasonably, in *The Road Home*, as part of its response to homelessness.

What the NRAS does not do is draw on the existing supply of dwellings that could be used for housing but are not so used because of no occupancy or under-occupancy; nor does it enable the participation of the majority of owners of Australian private rental housing in program delivery.

In addition to the 800,000 unoccupied private dwellings Australia-wide, 10% of Australian households (868,000 households) occupy dwellings where there are three or more spare bedrooms. And yet the National Housing Supply Council reported an additional 26,000 vacant private rental properties, mainly in New South Wales and Victoria, would be needed to lower the vacancy rate in the private rental market to 3% (being the 'equilibrium vacancy rate'). And it reported an absolute shortage of 146,000 dwellings in the private rental sector with rents below \$114 per week (i.e. affordable for those roughly in the bottom one-fifth of income distribution).

The profile of providers of private rental housing in Australia is largely that of 'mums and dads'. (The Australian Taxation Office distinguishes between investors in rental housing and people running a rental housing business.) More than 10% of individual income-taxpayers — over one and a half million Australians — own a rental property. Nearly three-quarters of those only own one, or part of one, property.

While rents have generally grown faster than incomes and dwelling prices in recent years, this has not been characteristic of the last two decades. The National Housing Supply Council identified rents in the last two decades as growing more slowly than incomes and dwelling prices, a trend accompanied by significant falling in rental yields. The average yield across rental dwellings has been around or less than 4% since 2001. Rental vacancy rates have also fallen over the last six years.

For investors and rental property businesses to get good returns on the dwellings they buy, they will generally want to rent the dwellings out to maximize rental income. When there was significant investment in private rental housing, in the early 2000s, this was mostly in premium dwellings at the upper segments of the market. The cost of housing in high-demand locations means that it is not possible for private investors to get a sufficient return from low-income tenants; indeed, any rental housing let at submarket rents would need a government subsidy for the provision to be sustainable. This is the case with non-profit affordable rental housing (intermediate housing and social housing) as much as with private-sector managed affordable rental housing.

How might we make better use of the dwellings that are already there, to cater for the people who need housing? How might we draw in a wider range of providers? In

Germany, though this case seems to be exceptional, private households are drawn into the pool of providers of affordable rental housing. They constitute over a third of providers of social housing: they get a subsidy in return for letting dwellings to tenants who meet income-eligibility criteria and at capped rents.

At the 2005 National Housing Conference in Perth, Terry Burke advocated a payable to a landlord who was willing to offer long-term secure leases (e.g. five or more years), to take tenants from a common waiting list, and agree to a fair rent (e.g. 85% of market value). His proposal applied to government and community housing landlords, and private landlords too. He described his model as different from the proposals to bring private finance into the social housing system because: 'This model proposes bringing private stock into the system instead.' Burke's model was discussed at a National Forum on Affordable Housing in Canberra in July 2006, along with a variant model proposed by Kath Hulse. While some of the notions they used were reflected in the design of the NRAS, there was no overhaul of the basic system when the Commonwealth, states and territories agreed to a National Affordable Housing Agreement: this is little more than a re-badging of the Commonwealth State Housing Agreement with the SAAP included.

Is it possible for the states to do more to encourage supply of private rental housing for low- or median-rent, beyond their matching subsidies under the NRAS? A state government does have some tools to encourage supply of private housing to low-income renters. These are broadly in the fields of:

- grant programs, e.g. subsidies to new boarding houses to help meet fire-safety and green-design standards;
- taxation programs, e.g. exemption from land tax for land used for low-rent accommodation, for boarding houses, and for caravan parks;
- deregulation, e.g. removing regulatory barriers to provision of new affordable private rental housing (including boarding houses, manufactured housing estates, and secondary dwellings) that exist in the land-use planning and development assessment system.

Any of these options has its strengths and weaknesses. Tax concessions, for example — whether state or Commonwealth, add to the complexity and inefficiency of our taxation systems. Some of these options are already being implemented in some states. But how governments might appropriately influence the private owners of dwellings to contribute to housing solutions for the homeless and the housing-stressed is a fair question to ask. ■

* This article does not necessarily represent the views of Shelter NSW.

Older People Need a Special Housing Plan

By Jeff Fiedler,
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Group

It has been heartening to see the active leadership of the Commonwealth Government in housing policy for the first time in more than a decade. Significant government action is needed at this time where conditions for renters in the private market are continuing to worsen. With housing markets failing to deliver affordable housing after being offered generous tax incentives for years, older people are the least able to cope due to their age, fixed incomes and increasing frailty and health problems. So what is the situation for older private renters in 2009, and are the new government programs that have been announced addressing their urgent need for stable and affordable housing?

Wave after Wave of the Housing Crisis

It has been well documented that the shortage of available accommodation in the private rental market over the past few years has created a difficult environment for people on low incomes. With vacancy rates at record low levels around 1% of housing stock, the housing shortage has created a cut-throat competitive environment where tenants are bidding against each other for available properties.

Recent trends in the private rental market have impacted on older people in three main ways. Firstly, older people seeking accommodation are finding it difficult to compete with younger people on working incomes as agents are choosing applicants with a greater capacity to pay high rents. Available vacancies for people on aged pensions are often substandard without basic facilities such as heating.

Secondly, current tenants have received higher than usual rent increase notices from their landlords as the housing shortage has escalated rents significantly. The December 2008 Rental Report showed that rents have increased by 10.9% across Metropolitan Melbourne for the year. This is expected to continue as the vacancy rate has hovered around an historical low of 1.1% for about two years (a 3% vacancy rate is recognised as the level where there is an equilibrium in the market). The median rent for a one bedroom flat in Melbourne metropolitan is now \$260 a week, a rise of 12.2% over 2008.¹ At current Centrelink rates, this leaves a single aged pensioner with \$24.90 per week to cover all other living expenses. Clearly, the private rental market is no longer a viable option for the 40,000 aged pensioners who currently live in this form of accommodation in Victoria. While AHURI research from 1999 showed that older private renters were paying on average 49% of their

income rent, the current housing climate suggests they are now paying a much higher proportion of their income in 2009.

Third, on top of the recent worsening trend in the market, HAAG's services have noticed another disturbing factor emerging: unprecedented and massive one-off rent increases. Our Housing Options Information Service has recently received calls from clients who have been ordered by their landlords to pay increases of between \$300–380 per month. The 'record' so far is an 89-year-old man whose landlord is demanding he pay an extra \$600 a month, raising his rent from \$250 to \$400 a week! While it is possible to challenge these increases by requesting a Consumer Affairs Victoria inspection to determine if their new rent would be excessive compared to the local housing market, we are finding that these assessments are often unsuccessful because there is a general trend of significantly higher rents.

Our assumption about this spike in rent increases is that tenants are paying a hefty price for the global economic crisis that has hit investors on the stock-market. Landlords are trying to cover their losses by raising additional finances from tenants, sending some rents to levels that are unsustainable for people on low incomes.

New Commonwealth Government Initiatives

The Rudd Government has made a series of housing announcements since its election barely 18 months ago. We have a Federal Housing Minister for the first time in more than a decade (Tanya Plibersek) who has a genuine commitment to tackling homelessness in Australia.

A series of initiatives have been announced so far including The White Paper on homelessness called *The Road Home: A National Approach to Reducing Homelessness* that was launched on 21 December 2008 with the aim to halve overall homelessness and to provide accommodation to all rough sleepers who seek it by 2020. This includes \$150 million for the construction of 600 homes for people experiencing homelessness; \$115 million for A Place to Call Home that will build \$512 million towards a Housing Affordability Fund to lower the cost of building new homes; \$812 million towards First Home Saver Accounts that offer a way of saving for a first home through a combination of government contributions and concessional tax rates; \$622 million for the National Rental Affordability Scheme that aims to build more than 50,000 new homes; and the most recent announcement of \$6.4 billion for the Social Housing initiative as part of the Nation Building and Jobs Plan.

These programs are attempting to tackle some of the fundamental problems our nation is facing, such as a lack of overall housing

supply. Another Federal Government initiative, the National Housing Supply Council, that is analysing trends, has produced a report that shows from 1996–2008 affordable housing stock has declined from 400,000 to 390,000. Overall, there is a shortfall of 250,000 affordable housing dwellings in Australia. They also state that more than 400,000 private renters are in housing stress with 156,000 paying more than 50% of their income in rent.² A significant number of those are aged pensioners.

Are These Programs Addressing the Needs of Older Renters?

The programs being developed by the Federal Government are targeted at a range of demographic groups such as homeowners, low wage earners, first home owners and the homeless. While it is arguable that an overall increase in housing stock will take some pressure off all areas of accommodation and potentially improve affordability, few of the initiatives announced so far will directly assist people on aged pensions.

For example, the National Rental Affordability Scheme (NRAS), that aims to add 50,000 new rental dwellings, will mainly benefit low to middle wage earners. This scheme provides tax incentives for investors if they construct new housing and offer it as rental accommodation at 20% below the market rate. As described earlier, rent rises are increasing at more than 10% a year at present and are already unaffordable for pensioners, so the rent discount would need to be closer to 50% of the market rate to be suitable for people on pensions. It is unclear at this stage whether any housing providers will be willing to offer such discounted rates.

Secondly, as it is a new housing program, most of the construction will occur on the outer fringe suburbs of major cities where the lack of services and infrastructure would make it an impractical location for older people who need access to services.

Thirdly, the tax concessions are only available for ten years. What happens to the tenant and/or the rent when that time comes? Older people need long term housing options and could be at a vulnerable age if required to vacate after ten years of tenancy because the landlord wants to sell their house or significantly increase the rent.

The Nation Building Plan Must Target Older Private Renters

It is the Nation Building-Social Housing plan that has the potential to address the needs of low income older people. \$6.4 billion is to be invested in this scheme that aims to build 20,000 public housing dwellings across



'It makes you really frightened, a bit paranoid. You can't collect anything, like I saw my parents collect in their lifetime. Possessions and those things would disappear. Photographs, things like that. It's all gone. You become no one, flotsam, jetsam...'

Australia. Ironically, this ambitious building program puts into perspective the scale of need in Australia as funding equivalent to another ten economic stimulus packages are required to meet the needs of the 220,000 people on public housing waiting lists nationally. Therefore, the most effective use of these funds will require targeting those most in need.

Older private renters are one of the most vulnerable groups in Australian society and therefore should receive priority assistance under this plan. Anna Howe has described "the great divide between the circumstances of older owners and private renters in our society" and that "the main message for (govt.) policy is that the highest priority should be given to obtaining housing for those who don't have secure tenure when they reach retirement age".³ The private rental market fails to offer older people their four most fundamental housing needs: security of tenure, affordability, decent housing standards and appropriate design and adaptability. Action must be taken urgently on this issue because the number of people aged 65 and over living in low-income rental households is projected to increase significantly in less than 20 years. AHURI research has shown

that people aged 65 and over in low-income rental households will increase by 115 per cent, from 195,000 in 2001 to 419,000 in 2026. The greatest projected change is in the 85 and over age range where the number of low-income renters is estimated by AHURI to increase from 17,000 to about 50,000 in that time.⁴

To add further alarm and the need for action, a critical warning has been sounded with the recent release of suicide rate figures in Australia. While overall suicide rates have dropped by 40% between 1997 and 2006, men 85 years of age and over are "significantly more likely than any other demographic group to commit suicide".⁵ While a number of reasons can lead to the sense of despair that causes suicide, housing stress on the elderly must certainly be a contributing factor.

A plan for older private renters would target the development of two forms of housing supply: New public housing developments in areas where there are good links to services and other infrastructure, including redevelopment of older estates; and, negotiations should be held with the non-profit Independent Living Unit sector to seek partnerships for

the redevelopment and expansion of their 50 year old housing stock that is well located in inner ring suburbs of most capital cities. Any new housing schemes should also seek to assist older people with asset levels that place them marginally above current public housing limits (i.e. \$30,000 in Victoria) as that group often misses out on any available options.

The National Building plan has been primarily developed as an economic stimulus measure to support the building industry during a recession and therefore may be a once-in-a-generation opportunity to have an impact on the housing crisis. It is imperative that those most in need, such as older private renters, are first in line when the new housing becomes available. ■

Footnotes

1. Department of Human Services *Rental Report December Quarter 2008*
2. National Housing Supply Council *State of Supply Report 2008*
3. A.Howe, Consultant Gerontologist *Housing an Older Australia*, AHURI/Myer Foundation 2003
4. Jones, Bell, Tilse, Earle: AHURI, 2007
5. Australian Bureau of Statistics 2008

Chapter 3: Playing by the Rules

Marginal Rental Accommodation and the Residential Tenancies Legislation

By **Chris Martin**,
Senior Policy Officer,
Tenants' Union of NSW

In each Australian State and Territory, residential tenancies legislation covers what might be called 'mainstream' rental housing; that is, the houses and flats rented by tenants from real estate agents, private landlords and social housing providers. Outside the mainstream is a diverse range of accommodation, such as boarding and rooming houses, caravan parks, student accommodation and homeless persons' accommodation. Taken together, this might be called 'marginal' rental accommodation, and its coverage by residential tenancies legislation is patchy and unsatisfactory.

What it Means to be Covered by Residential Tenancies Legislation

Residential tenancies legislation regulates some of the most important aspects of rental agreements, such as the standard terms of agreements, and the amount of notice required to increase the rent or terminate the agreement, and provides for relatively inexpensive and accessible dispute resolution through tenancy tribunals or lower courts. Where marginal rent accommodation is covered by residential tenancies legislation, mostly it is subject to specific provisions either in the State or Territory's Residential Tenancies Act or in separate legislation. Generally speaking, the provisions for marginal rental accommodation are less onerous than those for mainstream rental housing.

Where marginal rental accommodation is excluded from residential tenancies legislation, parties are left to the common law. At common law, marginal rental accommodation agreements are almost always mere licences, the terms of which are left to the parties; in practice, this means that the terms are set by the landlord and agreements are offered on a take-it-or-leave-it basis. At common law, rents can be increased, and agreements

terminated, with little notice: the period of notice being whatever is specified in the agreement or, failing that, the period for which rent is paid. Upon termination of their agreements, marginal renters become trespassers and can be evicted by their landlords. Dispute resolution is, at least theoretically, through the courts — and to prevent an eviction a person would have to apply for an injunction in the relevant jurisdiction's superior court. This is, of course, entirely impractical, and such legal rights as marginal renters do have are often practically unenforceable.

Who and What is Excluded

Table 1 below shows who, apart from 'mainstream' renters, are covered by each State or Territory's residential tenancies legislation (that is, by either the mainstream provisions, or other specific provisions, or separate legislation) and who are not covered.¹ Coverage varies considerably between the various States and Territories, and within each jurisdiction coverage is often subject to significant qualification.

Homeless persons.

In all Australian jurisdictions except the ACT, homeless persons accommodation is mostly excluded from residential tenancies legislation, and in many jurisdictions it is excluded specifically. In Tasmania, accommodation for homeless persons and

persons experiencing family violence, where the accommodation is provided for three months or less, is specifically excluded from the *Residential Tenancy Act 1997* (Tas) (*Residential Tenancy Regulations 2005* (Tas), cl 5(b)(i) and (ii)). In Victoria, the *Residential Tenancies Act 1997* (Vic) specifically excludes 'temporary crisis accommodation' (s 22), being accommodation provided on a non-profit basis for less than 14 days (s 3). In the Northern Territory, the *Residential Tenancies Act 1999* (NT) specifically excludes 'premises provided for the use of homeless, unemployed or disadvantaged persons for charitable purposes or for the purposes of providing emergency shelter or accommodation' (s 6(f)). In Queensland, the *Residential Tenancies Act 1994* (Qld) specifically excludes 'temporary refuge accommodation' where it is not 'approved supported accommodation' (s 24). 'Approved supported accommodation' includes accommodation under the SAAP and CAP (*Residential Tenancies Act 1994* (Qld), dictionary), so these types of accommodation may be covered, but not if the resident is in occupation for less than 13 weeks (*Residential Tenancies Regulation 2005* (Qld) cl 24).² SAAP accommodation is also specifically excluded from the *Residential Services (Accommodation) Act 2002* (Qld) (*Residential Services (Accreditation) Act 2002*, s 5(1)). In each of these jurisdictions, the housing rights of persons so excluded are left to the common law.

Table 1:
Coverage of residential tenancies legislation, by types of occupants

Type of occupant	NSW	Qld	SA	Tas	Vic	WA	ACT	NT
Homeless persons in homeless persons accommodation	no*	no*	no*	no	no	no*	yes	no
Boarders, lodgers, rooming house residents	no	yes*	yes*	yes*	yes*	no	yes	yes*
Students in student accommodation	no	no	no	no	no	no	yes	no
Residents of caravans, manufactured homes and residential parks	yes	yes	yes	yes*	yes	yes	yes	no

* subject to significant qualifications.

In New South Wales and Western Australia, there is no specific exclusion of homeless persons accommodation (the New South Wales State Government is currently considering legislating for such exclusion), but most services providing this type of accommodation operate on the basis that the occupants are boarders or lodgers, and these categories of person are specifically excluded from residential tenancies legislation in each jurisdiction. The situation is similar in South Australia, but in that jurisdiction there is a question as to whether the rooming house provisions of the *Residential Tenancies Act 1995* (SA) might bring homeless persons accommodation within coverage. Because these provisions apply only where the rooming house operates on a 'commercial basis' (s 3), arguably they do not cover homeless persons accommodation.

In these three jurisdictions, however, it is possible for homeless persons accommodation to be covered by the mainstream provisions of their respective residential tenancies legislation where the occupant is not, in law, a boarder or a lodger. For example, in *Ellis v City Women's Hostel [1997]* NSWRT 258 a resident of a SAAP service was held to be a tenant, not a boarder or a lodger, because of the way in which that particular service operated. In a postscript to the decision in that case, the Tribunal expressed its dissatisfaction with drastic consequences of the distinction between tenants and lodgers in the present law, noting that the proceedings — and the award of damages against the SAAP service — could have been avoided had residential tenancies legislation provided a degree of clarity and certainty for persons in supported accommodation, rather than leaving most of these persons to the common law.

Only in the ACT is homeless persons accommodation clearly covered by residential tenancies legislation. This is because the occupancy provisions of the *Residential Tenancies Act 1997* (ACT) apply generally to rental agreements that are not mainstream residential tenancy agreements (s 71C).

Boarders, lodgers and rooming house residents.

In most Australian States and Territories, boarders, lodgers and rooming house residents are covered by specific provisions in that jurisdiction's residential tenancies legislation.

Even in these jurisdictions, however, coverage is not complete; this is because the application of these provisions is subject to thresholds as to the number of persons housed. So, in Queensland, the *Residential Services (Accommodation) Act 2002* does not apply where the premises accommodate fewer than four occupants; in Victoria, the rooming house provisions of the *Residential Tenancies Act 1997* (Vic) are subject to an equivalent threshold. In South Australia, the rooming house provisions of the *Residential Tenancies Act*

1995 do not apply where there are fewer than three occupants; similarly, in Tasmania the boarding premises provisions of the *Residential Tenancies Act 1997* (Tas) do not apply where the building comprises fewer than three boarding premises and the landlord lives at the building. In the Northern Territory, where there are three or more boarders or lodgers residing the mainstream provisions of the *Residential Tenancies Act 1999* (NT) apply; otherwise, boarders and lodgers are not covered.

In two jurisdictions — New South Wales and Western Australia, as indicated above — boarders and lodgers are not covered by residential tenancies legislation at all.

In the ACT, boarders and lodgers are covered by that jurisdiction's occupancy provisions, which apply without regard to any thresholds.

Students.

In all but one Australian jurisdiction, persons whose accommodation is part of an educational institution are excluded from residential tenancies legislation without qualification. In Tasmania, the exclusion goes further: TAFE and tertiary students are expressly excluded from the boarding premises provisions of the *Residential Tenancies Act 1997* (Tas) even where the premises are not part of an educational institution. The only jurisdiction in which student accommodation is covered by residential tenancies legislation is the ACT, because of the general application of its occupancy provisions.

Relatively few persons are made homeless as a result of the legal insecurity of student accommodation. It is, however, a problem area and it may be a growing one, as universities enter into joint ventures with other partners to create student 'villages' that are excluded from residential tenancies legislation (see, for example, *Jericho v Carillon Ave Pty Ltd [2005]* NSWCTTT 514).

Residents of caravans, manufactured homes and residential parks.

In most Australian jurisdictions, park residents are covered by residential tenancies legislation. In several jurisdictions — New South Wales, Queensland, South Australia and Western Australia — residential tenancies legislation makes particular provision for residents who own their homes and rent the sites on which they sit (these residents are sometimes called 'owner-renters', as distinct from 'renter-renters'). Under the *Residential Parks (Long-Stay Tenants) Act 2006* (WA), Western Australian 'owner-renters' are entitled to longer periods of notice of termination than 'renter-renters' and, indeed, tenants under the mainstream provisions of residential tenancies legislation; in New South Wales and Queensland, 'owner-renters' cannot be given a notice of termination without grounds, unlike other tenants.

In Tasmania, persons who rent a van or manufactured home are covered by the

Residential Tenancies Act 1997 (Tas), but those who own their van or home and rent the site on which it sits are not covered, and instead have a common law lease or licence for the site. In the Northern Territory, renters and owners of caravans and mobile homes in caravan parks are excluded from the *Residential Tenancies Act 1999* (NT) altogether (s 6(h)).

In the ACT, park residents — 'renter-renters' and 'owner-renters' alike — are covered by the occupancy provisions. This means that unlike 'owner-renters' in New South Wales, Queensland, and Western Australia, ACT 'owner-renters' currently have much more modest rights and protections than 'mainstream' renters.

Law Reform for Marginal Rental Accommodation

The common law does not deal appropriately with all questions relating to rental housing, and this is especially so in relation to marginal rental accommodation, because marginal renters are often amongst the most economically and socially disadvantaged persons in the community.

In all Australian States and Territories, marginal renters should be covered by legislation that reflects the following principles:

- **Written agreements and receipts.** All persons renting should be entitled to a written copy of their agreement and receipts.
- **Reasonable cleanliness, security and state of repair.** All agreements should provide that the landlord will provide and maintain premises in a reasonable state of cleanliness, security and repair.
- **Quiet enjoyment.** All agreements should provide that the person renting will have quiet enjoyment of the premises.
- **Rules.** A person renting should be entitled to know, before they move in, any rules of the premises. Each agreement should set out any rules of the premises.
- **Access by the landlord.** A landlord should be entitled to have access to the premises for reasonable purposes and at reasonable times only.
- **Rent increases.** A person renting should be entitled to a reasonable of notice of a rent increase. Each agreement should set out how the rent may be increased, including the amount of notice that will be given.
- **Termination.** A landlord should be entitled to give a notice of termination on reasonable grounds only, and a person renting should be entitled to a reasonable period of notice. Each agreement should



'I can't go private. I tried that. I was living on noodles. And the unit was falling apart.'

set out the grounds on which the agreement may be terminated and the amount of notice that will be given.

- **Dispute resolution.** Landlords and persons renting should both have access to the tribunal or court that has jurisdiction for tenancy disputes in that State or Territory. In particular, a person renting should have access to the tribunal or court in relation to a dispute about the termination of their agreement, and should be entitled to have their dispute heard before their agreement is terminated.

Law reform to this effect might be pursued in one of two ways. One is that States and Territories might extend coverage by

legislating specifically for each category of marginal renter otherwise excluded. Something of this approach can be seen in the recent legislative history of each of the States. The advantage of this approach is that the legislation can be tailored specifically to the different sectors of the rental housing system; the disadvantage is that no State yet has found the will to pursue this approach so that complete coverage is achieved.

Alternatively, States and Territories might extend coverage by legislating generally for all renters otherwise excluded. This is the approach of the ACT with its occupancy provisions. The advantage of this approach is that it achieves complete coverage; the disadvantage is that unless the legislation allows for further, more specific regulation of the different types of accommodation covered, the rights and protections tend, because of their generality, to be modest.

The ACT occupancy provisions do allow for further specific regulation by providing for the creation of 'standard occupancy terms' for different types of occupancy agreements, but no standard occupancy terms have yet been implemented there. ■

Footnotes

1. The exclusions in the residential tenancies legislation of each State and Territory refer variously to classes of persons, premises and agreements. For simplicity of expression, the exclusions are reformulated in table 1 to refer to classes of persons.
2. *The Residential Tenancies Act 1994* (Qld) and the *Residential Services (Accommodation) Act 2002* (Qld) are to be repealed and replaced by the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld) on 1 July 2009. The new Act makes equivalent exclusions at ss 36 and 41(3).

Remixing Bradbrook: Tenancy Legislation Reform

By Jed Donoghue

Introduction

Residential tenancy law is a comparatively recent creation in Australia. Historically common law applied to agricultural rather than urban property issues. This situation changed in the mid-1970s after the publication of Commonwealth Inquiry into Poverty. The Inquiry concluded that the law had failed to adapt with social change, as modern leases generally related to urban rental property relationships rather than rural leases which focused on the land. The major recommendation of the Poverty Inquiry was the introduction in each Australian state and territory of new legislation specifically applicable to residential tenancies, designed to replace the common law (see Bradbrook 1998)

Background Literature

Bradbrook (1998) implies that any reconsideration of the rights and duties of landlords and tenants in residential premises is faced with a 'zero sum' game, in that any benefit given to one party suggests a disadvantage on the other party. Therefore it is likely that consumer advocates, lobby groups and the political needs of the government determine the pace and direction of tenancy law reform.

Real estate represents one of a number of forms of investment for individuals (Donoghue, Tranter and White 2003). As with other forms of investment, such as stocks and shares, an investor's concerns are limited to earning a 'reasonable' rate of return on the capital invested and ensuring that the capital itself is protected. The property owners' desire for a reasonable, low risk return on their capital presents a barrier for disadvantaged and homeless people.

The leasing of premises for residential use, involves a human or emotional element, in the sense that the actions of the investor (the landlord) inevitably affects the life of the applicant and/or tenant. This emotional element informs the interests of landlords when examining the respective rights and duties of the parties. It is indicative of the lack of agreement in society as to the relevance of the emotional element in the landlord and tenant relationship that has led to different legislative responses in different jurisdictions as to the parties' rights and duties.

Subject to satisfying the legitimate concerns of landlords, the focus of residential tenancy law needs to be on the protection of the

interests of tenants. The majority of these interests centre on the right of possession, both in terms of freedom from arbitrary termination of the tenancy, the desire for security, long-term stability and the freedom from interference by landlords during the course of the tenancy.

Public Interest

Bradbrook (1998, 5–7) suggests that the provision of rental housing is a central public policy issue. It is in society's interest:

- To promote a sense of community and participation in the community.
- To ensure good quality housing stock. The maintenance of good quality housing stock entails reliance on repair laws and excessive rent controls for substandard housing.
- To ensure availability of affordable rental housing. While private investment in the rental housing market should be encouraged as far as practicable, this alone is incapable of housing all categories of applicants. Lack of resources is likely to exclude from the sector many low-income families and individuals. Thus there will always be a need for social housing if homelessness is not to be a large-scale problem.
- To promote social, community and family stability. Social stability is fostered by ensuring that no form of discrimination is permitted.
- To ensure access to affordable rental housing. The law must ensure that potential tenants are not precluded from rented premises by having to pay too many up-front costs prior to being allowed into possession.
- To improve educational standards. School education is advanced by home stability and by the maintenance of reasonable living conditions. It is retarded by the need to change schools as a result of a change of home and by inadequate and poorly maintained premises.
- To foster human dignity. As referred to earlier, article 11(1) of the International Covenant on Economic, Social and Cultural Rights declares the right to adequate housing to be a human right.
- To ensure that residential tenancies legislation is consistent with, rather than isolated from, other social goals. The goal of family preservation could be fostered by provisions giving the spouse of the tenant the right to remain in occupation and assume the tenancy and, under certain circumstances, the right to a compulsory transfer of tenancy on divorce, separation or domestic violence.
- Society's goal of maximising energy conservation could be advanced by requiring or encouraging landlords under the terms of the residential tenancies legislation to install energy efficiency materials and devices.
- To promote economic development. This goal suggests a rejection of some forms of generally applicable rent control, which act as an economic disincentive to further development. It suggests non-interference in the setting of the initial rent, provided that there is no evidence of exploitation or discrimination.
- To establish a fair, harmonious and easily accessible system of dispute resolution. The operation of the existing Residential Tenancies Tribunals in several states is consistent with this goal. Fairness in this context should encompass the use of specialist decision-makers, the exclusion of legal representation (on the basis that, if permitted, landlords would be far more likely than tenants to take advantage of such representation), the abolition of lodging fees and the restriction of rights of appeal.
- To provide an effective system of enforcement for the terms of the residential tenancies legislation. The legislation should provide for adequate penalties and sufficient administrative and financial resources to enable breaches of the law to be detected and prosecuted.
- To ensure that there are no artificial and legalistic exclusions to the scope of application of the residential tenancies legislation. While some lettings are appropriate for exclusion, such as short-term holiday lettings, leases granted by educational institutions, or lettings granted in association with the tenant's employment.

Bradbrook (1998) claims that in conformity with the recommendations of the Poverty Inquiry, the RTA legislation places the duty of putting and keeping the rented premises in repair on the landlord. The



'What has been Tasmania's downfall is the boom in real estate, and I don't think wages, social security or anything has come up to meet that. Up here is where your rent is and down here is where your wage is.'

tenant's obligation is not to damage the premises during the course of the tenancy and to notify the landlord in the event of causing or discovering any damage or lack of repair. In general, these provisions appear to have worked fairly and effectively.

Bradbrook recommended one major reform in 1998. Problems as to the exact nature of the landlord's repair obligations have arisen in tribunal hearings in respect of outlying parts of the premises that are not designed for human habitation. Such issues have arisen most commonly in the context of garden sheds and garages, where landlords have argued that their duty of maintenance is inapplicable.

Justice would seem to demand that unless such buildings are excluded by the terms of the tenancy agreement from the scope of the lease, they should be subject to the normal repair obligations. However, because of the wide variety of possible buildings and circumstances in each case,

it is impossible to draft specific legislation that would apply in each case. The answer is a statutory covenant of fitness for the purpose intended. Thus, a garden shed will be required to be maintained in a condition normally considered to be acceptable for garden sheds, while garages and other out-buildings will be treated in a similar manner.

Another recommended reform was in respect of the landlord's 'right of entry' into the rented premises in order to carry out the required repairs. This is a surprisingly common source of dispute. The current legislation differs from jurisdiction to jurisdiction, but commonly refers vaguely to "all reasonable hours". It is submitted that the legislation should incorporate a new, more specific provision.

Enforcement Matters

Bradbrook (1998) indicates that enforcement represents an area of law where the residential tenancies legislation has been

a conspicuous failure. This failure is due both to the inadequacy of the provisions in the legislation and to the lack of administrative support provided by the state governments in support of the legislation.

The legislation is inadequate in that the monetary penalties prescribed for breaches are in most cases unrealistically low. Maximum penalties vary, but seldom exceed \$1000, which for many landlords would simply represent the cost of doing business and would not act as an effective deterrent. In some cases duties are prescribed by the legislation without any penalty at all being prescribed. It seems axiomatic that penalties should be prescribed for all breaches of the legislation and that the maximum amount of the penalty should be substantially increased.

Breaches of the legislation that are detected in residential tenancies hearings are normally reported by the tribunal member concerned to the Registrar, who forwards the file to the Attorney General's Department for possible prosecution. The practical difficulty encountered at this point is that the Department lacks sufficient staff to conduct systematic prosecutions, and the available staff is usually assigned to tasks deemed more important. The remedy would appear to be primarily administrative rather than legal. While the penalties specified for breach of the terms of the legislation should be significantly increased, it is effective administrative action in pursuance of breaches that is likely to secure a greater level of compliance by the parties concerned. Such change would probably require the hiring of additional staff, but this should not be an insuperable barrier as the necessary funding could come from the existing Residential Tenancies Funds.

Conclusion

The issue of national residential tenancies legislation should be referred to the Council of Australian Governments (COAG) for consideration. The possibility of the introduction of Commonwealth legislation in this area under s51 (xxix) of the Constitution, the external affairs power, in order to achieve uniformity will perhaps act as an incentive for certain legislatures to fall into line with the majority of the states and territories (see Bradbrook 1998).

In respect of easements, restrictive covenants, adverse possession, mortgages and the general law of leases, Australian common law and statutes have largely copied developments in the United Kingdom. Reform in the residential tenancies context is thus consistent with the general development of Australian law and will enhance and expand Australia's reputation for legal innovation in issues of public interest. ■

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- Bradbrook, A. (1998) Residential Tenancies Law, *Sydney Law Review* 17
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Boarders' Rights or Homeless Nights

By Peter Mott, Inner North Tenant Advice and Advocacy Service, New Farm, Queensland

When the White Paper — *The Road Home* — was released last December it felt like all our Christmases had come at once. As a tenant advocate who has witnessed many sunsets and several false dawns, I was particularly thrilled to read the recommendations for improving tenancy rights: *nationally consistent regulation of tenancy databases and the review of the impact of 'without grounds' termination clauses on homelessness*.

While I proudly wear my armour of cynicism as a barrier against further disappointment, it was the recommendation to *review the lack of legislative protection for boarders and lodgers in some jurisdictions* that pierced through my protective clothing and had me reaching for the smelling salts.

After all these years of being relegated to the kiddies table (less alcohol/more fun), could it really be true that tenancy rights were finally getting a seat at the main table of national housing reform?

While the 'grown-up' table has been busy discussing rent assistance, landlord subsidies and developer incentives, tenant advocates have been sitting at the kiddies table puzzled by the failure of the decision-makers to see that greater tenancy rights would provide a bulwark against homelessness.

A cursory reading of the White Paper provided hope that this new national approach would endorse the long held belief of tenant advocates that substantial improvements in tenancy rights must be the foundation of any effective strategy for the prevention of homelessness.

After a more considered reading of the White Paper, I fear this hope may be misplaced.

The case study of John and Gwen (p.26), used to illustrate the benefits of extending a tenancy support model to the private rental market, highlights the tendency of homelessness policies to seek to minimise the risks to landlords/agents rather than to advocate the enhancement of tenancy rights.

Gwen and John are in rent arrears as John is on unpaid sick leave following a work injury. When Gwen and John approach their real estate agent about the rent arrears, the agent contacts the newly funded tenancy support service. Gwen and John discuss their situation with a housing worker who manages to

negotiate a \$20 rent reduction for four weeks and uses brokerage funds to pay off the arrears. Gwen and John keep their home and he returns to work one month later.

On face value there is much to commend this model. The tenants keep their home and presumably maintain a positive relationship with their agent. Homelessness averted but for how long?

The entire scenario hinges on the ongoing willingness of the agent to co-operate: initially by contacting the tenancy support service and secondly by negotiating an outcome agreeable to Gwen and John. For a token rent reduction of \$80, the agent has secured the rent arrears while Gwen and John remain vulnerable to a 'without grounds' eviction and future rent hikes. It is important to remember that the landlord/agent already has their risk of financial loss minimised by the prospect of recovering any outstanding rent arrears by making a claim on the bond. Similarly the landlord/agent could have tax deductible insurance to cover such losses.

Placing the viability of the tenancy support model on the co-operation of the landlord/agent ignores the reality that it is only Gwen and John, the tenants, who have a vested interest in staying in their home. While some landlord/agents may be genuine in their efforts to assist Gwen and John, their prime concern is to generate a rental income not to maintain a particular tenancy.

A model that relies on the whims of the landlord/agent to succeed rather than the legally enforceable rights of the tenant is hardly likely to provide an effective solution to homelessness.

An alternative scenario could be:

Gwen and John increasingly worried about their capacity to pay the rent contact their local tenant advice service to find out about their rights. The tenant advocate checks whether John has had advice about workers' compensation or entitlements to income support from Centrelink. The tenant advocate then advises John and Gwen that due to recent changes in tenancy law, as part of the Rudd governments' initiative to end homelessness, that:

- *eviction notices must specify a valid reason*
- *notice periods for rent arrears have been increased,*
- *the tenancy tribunal must consider*

the relative hardship of both parties prior to granting a warrant of possession,

- *the tenants can try and negotiate a realistic repayment plan either directly with the agent or at the tenancy tribunal, and*
- *the tenants are only at risk of being listed on a tenancy database if the warrant of possession is granted, the rent arrears exceed the bond and the tenancy tribunal does not find their were mitigating circumstances.*

Gwen and John, relieved that they have some rights, begin negotiations with the agent for a realistic repayment plan. The tenants are confident that should these negotiations fail, they can enforce their rights through the tenancy tribunal with the ongoing support of the local tenant advice service.

This rights based approach similarly offers the prospect of a negotiated outcome agreeable to both parties. The significant difference is that Gwen and John, the people who are at risk of homelessness, can be empowered through this process and are not reliant on the changing moods of the landlord/agent or the negotiating skills of the housing worker to keep their home. Rather than feeling indebted to the landlord/agent, Gwen and John can be well informed tenants and in a stronger position to deal with any future tenancy problems that emerge.

Imagine if Gwen and John were living in a boarding house, paying their rent and keeping their room spick and span. In most Australian jurisdictions this would still condemn them to the whims of the caretaker/owner and place them on the precipice of homelessness. It is here that the white paper offers a promise of much needed reform.

Queensland, where I work, has specific tenancy law to protect people living in boarding houses (residential services). However Gwen and John would remain vulnerable to being issued an immediate notice to vacate, without recourse to an independent tribunal or any form of review. Gwen and John remain one notice away from living on the streets.

Gwen and John know to keep their heads down and stay friendly with the caretaker, whoever it happens to be this week. Gwen and John pay the rent for the fortnight to the caretaker and head upstairs to watch some DVDs. Ten minutes later



'Living in a motel, our son feels the stress. He can't go out and play. He wants to go play in the dirt and I tell him not to make a mess out there and he throws his cars and has a tantrum.'

the caretaker is banging on their door, shoves an immediate notice to leave in their faces and demands they get out in 30 minutes or the police will be called. Gwen starts to protest that they have not done anything wrong. She reads the notice trying to make sense of what is happening. It states that they are responsible for causing a disturbance the previous night. Gwen knows it is not true but what can she do? She remembers what happened to that bloke in room six who refused to leave when the

police were called. Gwen does not want to lose her temper and tries hard to remain calm but they have nowhere to go. John starts demanding the advanced rent back but the caretaker starts calling the police, so they gather up as much as they can and head into the night.

What we are arguing for is the right to housing to be enforced. We have argued the human rights aspect ad infinitum, but simply we are saying that if a tenant is about to lose their home they should be given more than immediate notice. Tenants should

be given an opportunity to challenge any allegations before a tenancy tribunal that has the power to deny the warrant of possession if the allegations cannot be substantiated, are capable of being remedied, are deemed not of a serious nature and taking into account the relative hardship the eviction will cause.

The promise of the White Paper to reduce homelessness can be realised but only if tenancy laws are strengthened to cover boarders and lodgers and all tenants are given the opportunity to challenge evictions at a tenancy tribunal. ■

Not at Fault Tenant Evictions Should Always Have a Reason

**By Penny Carr,
 Statewide Co-ordinator,
 Tenants' Union of Queensland Inc**

Every jurisdiction in Australia allows the eviction of tenants without any reason when there is no fault by the tenant. Why do tenancy laws allow for eviction without grounds and can we prevent some people becoming homeless by addressing this issue?

This question is currently being mooted in the Commonwealth Government's White Paper on homelessness with an agreement to "review the impact of 'without-grounds' termination clauses on homelessness in state and territory tenancy legislation". However, the removal of evictions without grounds has long been at the heart of tenancy law reform campaigns across the country.

The fact is 'without ground' evictions are used to mask a variety of grounds for eviction, some reasonable and some not.

It seems only fair for every eviction to have a just and sound reason. Tenancy laws should set these reasons out and evictions should only take place when one applies. These reasons should incorporate those grounds for landlords reasonably requiring the property back, for example, if they or their family wish to move in or to carry out significant repairs or renovations; if a new purchaser requires vacant possession in order to move in; if the property has become uninhabitable and serious or persistent breaches by the tenant.

It is hard to see any good arguments against only allowing evictions with just causes. After all, if the law outlines and makes eviction available for sound reasons, the only reasons left are unsound such as retaliation and discrimination.

Both parties should be able to access and pursue their rights as set out in tenancy laws. However, for tenants this is hampered by

the availability of 'without ground' evictions.

Many tenants who seek advice ask — "will I get evicted if I complain"? They are often viewed by agents and landlords as troublesome should they seek pursue, for example, repairs to the property. In Queensland, the most common situation for tenants is that they are placed on six month back to back fixed term agreements. Many callers to advice services are concerned with the issue of complaints and trade off their right in order to protect themselves against eviction at the end of the current agreement.

Removing the ability to evict tenants without reason will immeasurably assist them to pursue their other rights. Additionally, such changes will make no difference to the many judicious landlords and agents. Rather, articulating the reasons for "just cause" will set a minimum standard for those who will not otherwise act reasonably. ■



'In the last 18 to 20 months, I've moved seven times.'

Chapter 4: Into and Out of Homelessness

Word Up:

The Peer Education Support Program (PESP) began as a pilot in 2005. PESP is a consumer program developed by the Council to Homeless Persons, Homelessness Advocacy Service. The program consists of a team of people who have experienced homelessness who provide support, training, and consultation to their peers, the sector and the broader community. They provide valuable input into the development of government and sector

policy and practice, the implementation of the Homelessness Assistance Service Standards and the Consumer Charter of Rights and Responsibilities.

The empowerment of vulnerable people who have experienced homelessness is a constant challenge for individuals, organisations and governments. PESP ensures that those affected by homelessness have a powerful voice in decisions that have a direct impact on

their lives. The PESP is an exciting, innovative and inclusive program that will continue to evolve as a vehicle for consumer participation in the homelessness sector.

Part of this evolution includes the recent development of "Word Up", a new regular feature in *Parity* whereby people affected by homelessness will have the opportunity to contribute to the dialogue and themes of each edition.

From Homelessness to Renting

By **Cassandra Bawden,**
PESP Member

It's an interesting feeling, receiving the offer of a years' lease. Although I've been renting here for about three years now, the lease has always been a source of nervousness.

Previous to having experienced homelessness, I'd had a good rental record. That all changed when there was a violent episode from my son's father. When we left the refuge we were sent, child protection declared it unsafe our rental property. I was given only one option; to live with my Mother and sister.

Due to the many issues that resulted from our experience, I was too distracted with counselling, settling one of my children into a new school, dealing with child protection and many other concerns I had neglected to cancel my previous lease and inform my landlord of the changed circumstances. I ended up having a substantial amount of unpaid rent and no

means with which to pay this. As a result, I was blacklisted.

When I was allowed by child protection to hit the rental market and make a new start, it was impossible to obtain private rental. No-one was interested in a blacklisted, single Mum who while educated was not working. I guess it didn't paint an encouraging picture in their eyes. While I was desperate to be independent again, I was forced to look at other options.

Mum and I decided to co-lease a larger house. This gave me a year of reliable, positive rent history and allowed me to finally rent a place of our own again. The day I was told we could lease our new home, I cried with relief.

We live in a family-oriented, safe neighbourhood. It is close to parks and the school, we are surrounded by friends of the kids. We have learnt to be happy again.

However, the threat of having to go through homelessness again always stands over my shoulder. It was the most soul-destroying



experience I've ever had and it takes so long to recover from it. When I hear about the rental market on the news, when the economy is going into recession, when my neighbours have to move twice in one year because the owners of their rental properties decided to move back in, when my lease is nearing its end... these are times when the dread of homelessness once more comes to haunt me.

I am still a single Mum and I don't plan on changing that particular circumstance. I still don't work full-time and my rental record is limited to this one property. What chance would I have if the owners decide to take back their house? ■

Interviews

The following interviews were undertaken by the CHP PESP Program specifically for this edition of *Parity*.

Jane*

Jane moved to Melbourne from country NSW. She believes that she cannot return home because the perpetrator of the abuse she experienced is still living in that town.

What has been your experience with Private Rent?

"I've had so many bad experiences." (in private shared rental — co tenants)

"I found many places to loiter so I wouldn't have to go home."

"I did a lot of classes." (in order not to be home)

"I would hide in my bedroom until I heard the door click, it's like ok." (I can come out now)

Jane said that she had never held a lease while in shared private rental accommodation and that this has resulted in her having no rental history and no agent referees.

She believes that she has no hope in the future of ever accessing private rental because she is discriminated against as a single female on a Centrelink income.

She says that she not prepared to lie or falsify her employment status or invent referees in order to gain rental accommodation.

What sorts of other Housing have you tried to access over the past?

What was your experience like?

Jane said she had applied for public housing some years ago but that the agency assisting lost her application.

"Anyway I hear there is a 7 year wait, I need it now."

She said that she had lived in Uni dorms, a rooming house run by monks, numerous shared houses (private rental) and now lives in a rooming house in inner Melbourne.

She said she believed she had lived in 22 different renting situations in the last 9 years. She said that she had sometimes moved up to 4 times in a year.

"Looking for housing has been a fulltime job."

"It puts your whole life on hold."

She firmly believes that her inability to find secure housing has affected her ability to study and hold down a job.

What sort of housing are you currently renting?

What are the major issues/challenges for you in your current accommodation?

She said that one of the good things about

where she is now is that her co-tenants can not throw her out and that she has a large degree of independence.

"You don't have to be friends with anyone there."

"There's no forced social interaction." (like in shared private)

However, she also said that there are some bad things as well.

There are the inevitable problems with landlords. There was for example, little or no control over who you share with and there are always problems when you are sharing facilities. Sometimes it seemed that there was no such thing as "my space". There were problems with noise and lack of privacy.

"The tenant below me can tell whether I am wearing shoes or socks."

"I can seriously hear the pegs clip." (on the clothes line)

She also said that there were sometimes problems with bullying in terms of access to communal space.

"It's like prison."

"There are a lot of control, dominance and territorial issues."

"I haven't done my laundry for 2 weeks." (In order not to run into a particular tenant)

She said that there are also safety issues and that she had been witness to some very brutal assaults.

She also said that she felt there was a stigma in being a rooming house tenant.

"I've never felt so poor."

"You don't know how it feels until you've been in one" (a rooming house)

Another problem she identified was the house rules that she believed were restrictive.

"I have to get permission to have an overnight guest."

"We didn't have rules like that in the Uni dorms."

She went on to say that there were always problems with safety and sanitation

"I live with mad people."

She said she had at one stage lived with another tenant who smeared excrement everywhere and on another occasion lived with 2 people who had a serious attempt at killing each other. The problem was that no one was prepared to be a witness due to fear and the perpetrators of the violence were not charged or evicted.

"The place is filthy." (The cleaner does an inadequate job.)

"The landlord does nothing about it."

"When you ring up to get something fixed you are treated like a moron."

"If there is only one burner going on the stove it is deemed to be working"

"At least in private rental I have always known my rights."

How have you sustained your housing/tenancy?

Jane said she had never had any form of assistance or support in maintaining her tenancy.

She said she had once approached a homeless service provider while sleeping on a friends couch.

"They said they couldn't help because I was not homeless".

She said she found out about her present accommodation through bumping into social worker on the tram.

Would you call your current housing "home"?

Why/Why not?

"It's always felt temporary."

"There is no such thing as my space."

She also mentioned all of the "bad" things she had talked about earlier

In a ONE word how would you describe your experience of renting?

"Chaotic".

Karen*

What has been your experience with Private Rent?

Were you discriminated against in the private rental market?

"No, because I lied"

"He (a friend) pretended to be my live in boyfriend and he had a full time job"

"I couldn't have got in there as a single mother"

"I have always lied to real estate agents"

Do you ever see yourself renting privately?

"No, because I can't see myself being able to sustain \$300 a week upward and that is what rentals are now. Pick up a rental list from any real estate anywhere in Melbourne and you are lucky to find a 2 bedroom flat for under that"

"It's completely unaffordable. You need that times 4 for a bond and then rent in advance and then have to maintain it — I don't even have a job!"

"I can't afford private rental, I just can't afford 300-plus a week and I wouldn't get again anyway, single mum with a history of eviction and no job"

"No one's going to give me a place, so I registered with Ministry of Housing"

"I'm also getting older, so there will come a time when I am 60, that's not that far away, you know, but I need to get a house a permanent Ministry house"

What sorts of other Housing have you tried to access over the past?

What was your experience like?

Karen said that after losing private accommodation because she had fallen behind in paying her rent, she was referred to Victorian Accommodation (VAC).

Karen said that she had been referred from OoH funded services to private rooming houses because she was told there was a lack of housing stock available.

"...coming from government run crisis housing and we are being put straight in the hands of private SLUMLORDS, I can't think of anything else to call them but slumlords"

"These houses would not past muster"

She said that she had witnessed a number of illegal evictions. She said that there were at least 2 people she knew of who had been illegally evicted.

"They send big guys around to knock on your door and get your stuff out tomorrow morning"

She said that she had been evicted for falling behind in paying her rent.

"Over a 6 week period they just refused to collect my rent"

"There was no head office, there was no where to go" (to pay your rent)

"There were just a series of mobile phone contact numbers. That was all you had to contact them."

"So we found ourselves on the street again just before Christmas"

She said she had accessed a housing service who had:

"Put me in Footscray"

(A single room with one bed. \$200 per week sharing with 17-year-old son.)

"Then washed their hands of me, no follow up"

"All they did was refer it"

"They just ring up these people who own/run these houses and say have you got a room?"

"The people who run the houses, that is who you are paying"
(Not OoH Funded Service that referred there)

"That's what I mean when I say private slumlords"
(Referring to still renting "privately")

"They are slums. You should see them, I'd love someone to come out and have a look at the house I am in."

She said she had applied for public housing.

"18 months (wait) they are saying, but with the bush fires recently I doubt that is going to happen"

What sort of housing are you currently renting?

What are the major issues/challenges for you in your current accommodation?

She said she was left with only \$50 after paying \$400 per fortnight including providing for her son, that is his schooling cost as well as food.

"Because they can"
(charge ridiculous rents)

Do you feel safe?

"Na, I don't. The front door has already been kicked in twice"

"Um and half the displaced, dispossessed homeless (people) of Footscray have moved in"
(Squatters and people sleeping in the halls)

"All of the door jams on all of the doors are just falling apart; the locks have been shifted a dozen times on each door because they have all been kicked in over and over and over"

"No, it's not a safe house. I could push the front door in from the outside"

How have you sustained your housing/tenancy?

"I feel as long as they are taking my dole check I have got that room" (stability)

No other supports?

"Na, you have a roof over your head, off you go"

Would you call you the current housing you are paying for "home".

Why/Why not?

"No not at all"

"A home should be a place you walk in, feel safe, hit the couch and turn the telly on, wonder around in your jocks, go to the bathroom"

"I don't use the kitchen there, it filthy"

"I'm not cleaning it, I didn't make the mess, so..."

"No, it's not home at all"

"I haven't even unpacked my bags"

"And that room is not even a home because I hate going in there"

In a ONE word how would you describe your experience of renting?

"If I could have kept the rent payments up it was the best place I ever lived"

"I've never been happier"
(Private rental in Altona)

"The house was great, everything was perfect"

"My son was happy"

"His friends would come over, they felt comfortable"

"The only problem was that I couldn't keep the rent up. But other than that I loved it"

Services offered by DHS Funded Services — In ONE word.

"That's hard to do"

"I got a roof over my head, the night I needed it, that's it, full stop"

"They put me in a room so I'm not sleeping on the street, that's all I asked them to do, they did do it. I don't know what else they are meant to do, so I can't do it in one word"

"So, yes, positively they did what I asked them" ■

* Names have been changed.



Photograph provided by the *Stories from the Waiting List* project. Photograph by Adam Quarrell.

Private Rental Access Program: Debunking the Myth of the Impossible Private Rental Market

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Overview

The Salvation Army Crisis Services Network and HomeGround Services have delivered the Family Violence Outreach Program Private Rental Access Program (FVOP PRAP) in partnership over the last four years, initially as a pilot and now with ongoing funding.

This article examines why this implementation of PRAP has been so successful despite an adverse rental market and what lessons its success offers more broadly towards the White Paper's goal of 'turning off the tap' through prevention, particularly in relation to at-risk and homeless families.

The PRAP experience is a powerful reminder that private rental market outcomes need to be retained as a central component of efforts to prevent and reduce homelessness.

This article draws on the 'best practice' analysis of the inner-south PRAP by Dr Lisa Harris in 2008.

About PRAP

The FVOP PRAP works with women who have experienced family violence and helps them access the private rental market and maintain sustainable long-term housing. The PRAP model was initially piloted from 2003 to 2005 and then expanded, with modifications, across Victoria in 2006.

The FVOP PRAP has been extremely successful in delivering sustainable long-term private rental outcomes despite record-low vacancy rates, rising rental costs and increasing competitiveness in rental application processes.

The key principles of this implementation of PRAP include:

- Preventing homelessness through early intervention
- Partnerships approach that delivers housing services as part of an integrated multi-disciplinary team
- Housing expertise that understands the rental market as a business
- Clear boundaries between tenancy and other support services
- Capacity building for service users that equips them to navigate the private rental market independently
- Flexibility of brokerage funds available
- Sustaining tenancies through ongoing support services and early intervention rental assistance where required

PRAP complements family violence outreach services and provides an alternative to refuge, transitional and other forms of temporary accommodation for some women.

The service model includes:

- Assistance to secure private rental
- Brokerage funds to provide a time-limited rental subsidy
- Housing related practical information, referral and establishment assistance
- Regular ongoing contact and housing assistance for duration of the brokerage period
- Liaison service with potential housing providers (landlords), family violence support services, police/courts and other community organisations and resources

The 'St Kilda' PRAP Model

The PRAP model as implemented in Melbourne's inner-south consists of a single worker who works across both family violence and housing agencies.

The practice model involves several stages including:

- Engagement and assessment
- Finding a property
- Securing a property
- Moving in and establishment
- Follow-up

Further details can be found in the Best Practice paper referred to at the end of this article.

The PRAP worker has access to financial

support including Housing Establishment Funds and brokerage funds.

They also provide a great deal of additional value through the practical assistance they provide. This includes travel assistance to and from properties; planning and assessment of location in relation to schools, shops, hospitals, public transport, personal networks, etc; advice around additional practical issues that might be relevant to particular properties or areas and any safety or security issues the service user might need to discuss or have addressed prior to feeling comfortable accepting a property.

PRAP Outcomes

In 2006/2007, PRAP brokered 42 women and/or families into private rental properties and supported a further 10 women into public housing. Only one of the private rental tenancies has failed at the time of writing. (This was due to security reasons rather than a tenancy breach).

The program used \$52,225 of Private Rental Brokerage Funds and \$8,178 of Housing Establishment Funds. This equates to a cost of just under \$1,500 per private rental tenancy. The cost per tenancy and high success rate has been consistent over the four years of the program.

The positive housing outcomes and low cost-per-outcome delivered by PRAP have exceeded all expectations and represent great value to those funding the program.

Why has PRAP Been so Successful?

PRAP has worked because it delivers specialist housing expertise that is able to navigate and access the private rental market in partnership with family violence services that provide the necessary case management support to women. It provides the necessary link between housing and support services which is essential to effective homelessness responses.

This multi-disciplinary partnership approach has been critical to PRAP's success. The combination of housing expertise with relevant specialist support services has unlocked new possibilities for service users.

Flexible funds, clear program boundaries and long-term support (up to 12 months) are also important elements that have contributed to the excellent outcomes achieved.

The Partnership Approach and Shared Expertise

Multi-disciplinary service partnerships not only allow service users to have direct and flexible access to resources from all partner organisations, but it also allows specialist workers to share their expertise and become more proficient in other practice areas. Having the PRAP worker situated in the FVOP 4 out of the 5 days has provided a consistency of response to women around access to private rental.

In our example, this has meant that family violence workers have gained valuable knowledge around housing while housing workers are more informed about family violence practice.

Timely access to well coordinated resources (through the partnership) has been a critical factor in securing rental outcomes as it allows rental applications to be submitted with guaranteed funds being available within 24 hours of acceptance.

The other key linkage this program provides is between the community sector and the private market. The following comment from the PRAP worker illustrates this:

"They [Real estate agents] are not social workers, they are business men. Their clients are the landlords, not my [PRAP] clients. Agents need to know there is money there to back my client up...It is all about getting the right information about the client to the agent at the right time... for them to make a decision in favour of the woman."

By creating partnerships within the community sector and then building a bridge to the private market, PRAP has created a supportive environment for service users while delivering an unprecedented level of access to private rental properties.

Housing Expertise and Understanding the Market

It is worth re-stating how vital private market housing expertise is to the success of the PRAP model. This element is often missing from community sector services as it is wrongly assumed that people at-risk of or already experiencing homelessness will not be able to access or maintain private tenancies due to the extreme shortage of affordable housing.

One example of how housing expertise has contributed to PRAP's success is the careful management of service user expectations around the private rental market, property location and the number of attempts that may be required to secure a tenancy.

This means that service users have a realistic understanding of the rental application process from the outset and a good understanding of location, prices, availability which helps them understand their options. This educative process also leaves service users with valuable knowledge for the future.

Another strategy developed in response to increasing competition for properties involves strong advocacy with real estate agents and landlords where a suitable property has been identified.

The use of brokerage funds to offer a slightly higher rent than the asking price has also proven successful in securing properties for service users. Once a property is secured, people are able to begin establishing a positive rental history and a firm foundation for their future.

Boundaries and Accountability

Clear boundaries established by PRAP around roles and responsibilities include service users, PRAP workers, real estate agents and other non-housing support services involved with the clients.

PRAP establishes clear actions, timeframes and communication around these commitments. A sense of transparency and trust about what the program can and can't provide has contributed to PRAP's success.

Sustainable Housing Outcomes

A sustainable tenancy is more than just securing a property at an affordable rent. Sustaining a tenancy may require further assistance in terms of financial or other support. PRAP provides this ongoing support as part of ensuring tenancies are truly sustainable.

One key feature of PRAP's ongoing support role is its rental assistance policy, as developed in the St Kilda model, which allows women to access further funds during the life of their tenancy if required.

These funds may be required due to unforeseen events such as health issues, loss of income, death of a family member or other crisis. This feature of the program provides a safety net to ensure women do not become homeless later on due to housing stress or debt.

Ongoing support needs are assessed by the family violence worker linked with the service user.

Structural Obstacles

Two particular challenges have emerged from the PRAP experience. These are structural components of the housing system which have fallen behind rising housing costs and are in need of urgent review.

The first is the way bond loans are administered by the Office of Housing. Currently, a service user needs to have repaid one loan before taking on another. In many cases this disqualifies people from moving as they inevitably require a bond loan for their new property before they have received back their original bond loan.

Real world bonds have also outstripped bond loan amounts. Currently the rates are \$700, \$800, \$900 and \$1,200 for 1, 2, 3 and 4 or more bedrooms respectively. These are well below what people actually

need for their rental bond and often have to make up the difference themselves.

A more flexible system, updated to reflect real bond costs, that can accommodate service users moving within the private rental market would remove this barrier and make access to the private rental market easier.

The second area where rising rental housing costs have outstripped welfare support is in the area of rent assistance. The current maximum rent assistance of \$65.24 per week is simply not enough for a large number of people to meet the shortfall between their actual rental costs and how much they can afford to pay.

Rent assistance levels need to be reviewed as part of any plan to increase low-income access to private rental housing.

A Model for Further Success

The success of the PRAP model has shown that brokering access to the private rental market is possible with the right partnerships, programs and approach.

Given the difficulty that many other programs have in accessing private rental tenancies and the shortage of social and public housing, there is a strong basis for expanding the PRAP model to other target groups who currently experience difficulty accessing the private rental market.

Apart from expanding the number of PRAP workers available to women who have experienced family violence, another target group for an expanded PRAP program would be families who are homeless or at-risk of homelessness. In four years of operation the program has already housed many families (151 women with children). This would suggest the model is appropriate for this target group.

Families often have greater financial resources available to them than individuals. A private rental access scheme targeted at families, and delivered through appropriate service partnerships, would be very effective.

Given the economic downturn and the already increasing numbers of Australian families experiencing homelessness, a step like this has the potential to deliver strong outcomes in both prevention of and escape from homelessness.

There is also the potential to further increase access through linking in with the National Rental Affordability Scheme (NRAS) and ensuring these properties are accessible to those most in need.

An expanded PRAP program available to additional target groups would provide a strong boost to state and federal governments in 'turning off the tap' and ensuring Australia meets its White Paper targets. ■

References

Dr Lisa Harris March 2008, *Successfully delivering the Family Violence Private Rental Access program via a partnership model: an opportunity for organisational capacity building through the sharing of service cultures* [www.salvationarmy.org.au/crisisservices]

Homelessness Early Intervention Programs in the Private Rental Market

**By Paul Flatau,
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Introduction

The private rental sector is of fundamental importance to an understanding of Australian homelessness. More clients enter Supported Accommodation Assistance Program (SAAP) services from the private rental sector than from any other housing sector. And more exit SAAP support to private rental accommodation than to any other form of housing. Among SAAP clients who need assistance to obtain/maintain independent housing, the role of the private rental market is even more pronounced than it is for all SAAP clients. In 2007–08, 31.4 per cent of all closed support periods involving SAAP clients identified as needing assistance to obtain/maintain independent housing were in private rental accommodation immediately prior to receiving support from a SAAP service, while 39.7 per cent of such support periods involved clients exiting to the private rental market (see AIHW 2009, p. 76).

In spite of its importance, the private rental sector has not traditionally been a site for significant activity by homelessness services. Homelessness services have typically worked at the crisis and post-crisis end of the homelessness spectrum rather than in terms of early intervention programs for those at risk of homelessness.¹ And yet, if the Homelessness White Paper's (*The Road Home*) goal of turning off the tap of homelessness is to be achieved, it is crucial that those at imminent risk of homelessness in the private rental sector are able to sustain their tenancies and re-establish them on a sound footing. Moreover, it is imperative, especially in light of the limited availability of social housing options, that those who are newly homeless are assisted to establish private rental tenancies on a sustainable basis over time.

In this paper, we report on the achievements of two early intervention tenant support services delivered by Ruah Community Services in Perth WA, and designed to assist those at risk of homelessness in the Perth private rental market. The reason for reporting on their experience here is that these and other similar services in Western Australia, working through various tenant support programs in operation in WA, provide useful guideposts for agencies as the White Paper's new early intervention programs (which surely will include a more significant role for private rental tenancy support programs across Australia) begin

to be rolled out over the coming year.

The first of the two examples is the Ruah Tenancy Support: South East (RTS-SE) service which provides tenancy and case management support services to individuals and families facing difficulties sustaining their tenancies in the private rental market in Perth's south-east suburbs. The second example we describe is the Ruah Tenancy Fast Track (TFT) SAAP Innovation and Investment Fund pilot project which seeks to divert families at imminent risk of, or newly experiencing, homelessness from SAAP crisis accommodation by assisting them to quickly secure accommodation in the private rental market. Both of these services operate on the basis of a service delivery model involving mobile case management and medium-term support periods (often three to six months support). They are built on very strong partnerships with real estate agencies and landlords in the private rental market and seek to address both the tenancy and the non-tenancy needs of clients. By inviting the real estate sector to be part of the solution to homelessness, the partnership principle leads to stronger positive outcomes for all parties.

In regard to the non-tenancy needs of clients, the two services rely on an active referral system and on close collaboration with a broad range of non-homelessness-based services including mental health, drug and alcohol and financial counselling and support services. Many SAAP services of course do likewise; but what is important to recognise is that the provision of such services is being undertaken outside the traditional crisis and transitional accommodation environment.

The experience of these two services shows that early intervention programs aimed at establishing private rental tenancies for those who are homeless and sustaining private rental tenancies for those at risk of homelessness can achieve positive outcomes at relatively low cost. In reducing the inflow of people into homelessness, such services can save money by stopping evictions in the private rental market and reducing significantly the use of traditional homelessness crisis services.

Sustaining Tenancies

Households at risk of homelessness in the private rental market were identified by the 2002 Western Australian Homelessness Strategy as a group in need of assistance but for whom no program then existed. In response to this identified gap in homelessness services, the Western Australian Government in 2003 established a new private rental tenancy program, the

Private Rental Support and Advocacy Program. Ruah Tenancy Support (RTS) was one of seven private rental tenancy support services funded under this program. Since July 2007, the seven services have operated within the SAAP sector in Western Australia.

The RTS service is a mobile case management service providing support to clients at risk of losing their tenancy in the private rental market in Perth. Support is provided over a three to six month period. It involves the provision of tenancy support services linked to individual client-based Tenancy Support Plans and the provision of non-tenancy support linked to similar client-based Personal Support Plans. It is this focus on both tenancy support and non-tenancy-based support to meet the broader needs of clients when coupled with active engagement of the service with property managers and landlords which represent the distinctive feature of the RTS service.

Tenancy Support Plans address what needs to be done from a tenancy perspective to stabilise the tenancy, or, at the very least, 'end the tenancy on the best possible note'.² In general terms, stabilising a tenancy means that the relevant parties (tenants and property managers and/or landlords) agree that the risk of eviction has fallen below some critical point and the presenting tenancy issue is rectified. Indicators that a tenancy has been stabilised include the following:

- That there is no longer a threat of eviction;
- All breaches and termination notices have been resolved;
- Utilities are connected and there is no threat of disconnection;
- A budget plan is in place addressing rent, rental arrears and utility payments; and,
- The property manager and the tenant report that there are no complaints concerning the behaviour of the tenants, that property standards have been addressed and that there are no signs of conflict with neighbours and caretakers.

Property managers and landlords are invited to propose solutions to the tenancy problem and negotiated versions of solutions between tenants and property managers are included in Tenancy Support Plans. The joint involvement of tenants and property managers in the development and execution of the Tenancy Support Plan is a unique feature of the RTS service model. It is



Photograph provided by the *Stories from the Waiting List* project. Photograph by Adam Quarrell.

founded on the basis of active networking on the part of the RTS service with property managers and landlords in the geographical area covered by the service.

A close relationship between the RTS service and property managers and a primary focus on sustaining the tenancy is critical to the success of the model. It enables the service to gain the confidence of property managers and landlords and so work with them to solve tenancy problems to the benefit of both the tenant and the property manager. Of course such a close relationship between a tenant support service and property

managers can mean that the service no longer advocates on behalf of the tenant. Indeed, the RTS service can be said to advocate on behalf of the tenancy rather than the tenant, with all parties sharing the main aim of a stable tenancy. This means that the RTS service refers tenants on to tenant advocacy services when a need for tenant advocacy in a conflict situation arises.

The relationship between a service that works with disadvantaged and marginalised people and those experiencing homelessness or facing a risk of homelessness and property managers and

landlords can be a difficult one to navigate; although in practice very few instances of conflict arise. This is due to the services actively engaging with people who require support to manage their tenancy responsibilities (due to underlying life concerns), as opposed to people who require support to manage and resolve a tenant rights issue.

Once tenancy-related issues have been identified and a plan to address those issues implemented, the non-tenancy-based needs of the clients are addressed through Personal Support Plans. Personal Support

Plans address the underlying issues contributing to the tenancy becoming vulnerable. They include problematic drug and alcohol use, a history of witnessing or being subject to violence in the home or other contexts, mental health conditions, social isolation and marginalisation, unemployment, lack of community and social supports, low income and a poor financial position, a history of offending, low literacy and numeracy skills, poor parenting skills, family breakdown, racial and other forms of discrimination, and so on. Around a quarter of clients present to the RTS service with mental health issues; other key non-tenancy and non-financial needs including relationship/family breakdown and domestic/family violence.³

Client outcomes from the RTS service are remarkable. Over 80 per cent of RTS service cases whose initial request for service was stabilisation of the tenancy achieved their goal. Likewise, the vast majority of closed cases where the initial request was to end on the best possible note (the eviction process having already begun without a prospect of ending it) also achieved their goal. This might mean that the tenancy ended without citation on tenant databases or with access to some limited property manager references to increase future entry to private rental housing. The high proportion of clients stabilising their tenancy or ending on the best possible note translates into a significant reduction in tenant liabilities for clients over the period of support. Among households who began support with rent arrears, most had repaid their debt on closure.

A significant reduction in aggregate tenant liabilities among clients of the RTS service is apparent. For the two 2007–2008 half-yearly reporting periods, 90 and 95 per cent of closed support periods had repaid rental arrears and other tenant liabilities; aggregate tenant liabilities fell by between 85 and 88 per cent.

Fast-Tracking Newly Homeless Families into the Private Rental Market

The Ruah Tenancy Fast Track (TFT) project is a SAAP Innovation and Investment Fund pilot project whose purpose is to ensure homeless families have their crisis housing needs met; are assisted to quickly access long term private rental housing; and are linked into appropriate services and supports to maximise the chances of a successful tenancy. The Ruah TFT service also incorporates a temporary housing component where those transiting from homelessness into the private rental market can be housed temporarily if no private rental dwellings are available. This ensures families maintain local connections to people, schooling, employment, and social support networks.

The innovation project is designed to meet a growing demographic of families that are newly homeless, many for the very first time

in Perth as a result of the impact of mining and resources boom on affordable/accessible private rental housing. The project enables families to reduce the impact and extent of their homelessness experience and successfully bypass traditional SAAP services when provided with support to fast-track into a new private rental dwelling.

The service delivery strategies utilised in the Ruah TFT project rely on much the same strategies as those adopted in the RTS model. These include:

- Intensive, proactive mobile case management focussed on addressing previous outstanding tenancy concerns, addressing current tenancy and personal needs; and ensuring a successful transition into the new tenancy;
- Development and maintenance of strong relationships with housing providers; and,
- Provision of information, strategies and skills development to overcome private rental market barriers.

As with the RTS-SE service, the TFT pilot project has achieved excellent client outcomes. Of the 37 families who had been assisted through 2006 and 2007 and whose cases had been finalised, 22 families in homelessness or at severe risk of homelessness were assisted to access independent private rental housing with a further 9 assisted to access temporary housing available to the pilot project while waiting to secure private rental accommodation. Three families were assisted to renegotiate a lease continuation after their forced eviction and a further three families were assisted to access public housing.

The pilot project demonstrates that with clear entry criteria and appropriate assessment and established links with private rental agencies, families whose primary need is fast tracking to a private rental can be identified and successfully supported to access appropriate and affordable housing.

The pilot project worked for families in private rental who are at imminent risk of homelessness as a result of an eviction process and with significant access barriers to obtaining a new private rental and newly homeless families as the result of a temporary crisis (e.g., staying in SAAP services, caravan parks etc). However, a fast tracking option does not always work for families with high and complex needs and families who need more flexible property management processes due to their inability to manage tenancy responsibilities. The program is also not suited to families who entered the pilot project wanting public housing only due to the service focus on the private rental sector.

Conclusion

The two tenant support services which we have briefly examined in this paper show that the provision of early intervention support to those at risk of

homelessness in the private rental market and to newly homeless people can achieve significant positive results for the tenants involved. There are also wider benefits to the broader homelessness support and public housing sectors in that support dollars are freed up for other needy individuals or families; particularly those with high needs and severe barriers to entry to the private market.

What the findings from the two services show is that families at imminent risk of homelessness in the private rental market will generally sustain their tenancies if support is provided, or if they can get rehoused in the private rental market. Such an approach works for many but not all clients. A fast-tracking private rental tenancy support service can be inappropriate for those with an impaired housing tenancy history and high needs. This, in turn, underlines the need for community and public housing providers to play a pivotal role in housing those with high and complex needs.

Finally, the experience of the two services shows that building good working relationships with real estate property managers is a critical ingredient to the success of private rental tenancy support programs. This key principle has been used in both services, and has also been transferred successfully into other tenancy support services for tenants with high and complex needs who require transitional support at the commencement of a new tenancy, be this private rental accommodation, community housing or public rental housing. ■

Footnotes

1. Important exceptions include Youth-based early intervention programs, which have been implemented with some success over the last decade; the Federal Government's HOME Advice program which established early intervention pilots in each State/Territory for families at risk of homelessness; and tenancy support programs for those at risk of homelessness in the public housing sector which have been implemented in a number of States and Territories. As reported in the paper, Western Australia has operated a private rental tenancy support program for a number of years and a smaller scale program has also operated in Victoria.
2. The goal of ending the tenancy on the best possible note refers to the fact that a tenancy may not be able to be stabilised but that the tenancy ends on the best possible note so that tenants are able to move to alternative arrangements with as few outstanding issues and barriers as possible.
3. The level of need evident among clients of private rental tenancy services lies typically somewhat below that for public housing tenants at risk of eviction receiving support in public housing tenant support programs.

References

Australian Institute of Health and Welfare (AIHW) (2009), *Homeless People in SAAP: SAAP National Data Collection Annual Report*, SAAP NDC Report Series 13, Cat. No. HOU 191, Canberra: AIHW.

Preventing Homelessness in the Private Rental Market: NGOs Working Together to Achieve Positive Outcomes

By **Belinda Jones, Anglicare Tasmania and Andrea Witt, Centacare Tasmania**

Recent research (Yates and Gabriel 2005) indicates that 31,000 Tasmanian households rent their property. In 1999, some years before the current housing boom, around 35% of renters were already paying more than 30%¹ of their income on housing costs. Private renting is a significant tenure (around 17% of households) which contains high levels of housing stress; this is projected to increase in the future. Young single-person households and households with young children are among the many that experience housing stress. The high cost of homeownership and a shortage of public housing have meant that many households have no alternative but to remain in the private rental sector.

A recent Anglicare Tasmania rent survey snapshot looked at properties advertised for rent in the 3 main newspapers, on a typical weekend. The aim was to highlight what a low income Tasmanian, looking for private rental accommodation is confronted

with. Using the 30% benchmark (household income being paid on rent) to ascertain affordability, only 4.1% or 16 properties were classed as affordable for people on Centrelink payments.

The difficulties of accessing private rental market properties are widely documented and a number of policies are in place to assist low-income households. For example, Commonwealth Rental Assistance is available to meet some of the costs of renting. In addition, in Tasmania the Private Rental Support Scheme (PRSS) is funded specifically to assist the most vulnerable tenants. PRSS in Tasmania provides assistance to people on low incomes to access the private rental market. The Scheme is delivered by Anglicare Tasmania in the North and North West and Colony 47 in the South of the State. Funding for PRSS is provided through Housing Tasmania by the State and Commonwealth Governments under the National Affordable Housing Agreement (NAHA). The State Government also provide additional funds to enhance the core activities of the program. The funds assist people to establish and maintain private rental accommodation with

the objectives and priorities being to ensure safe, adequate, stable and affordable housing for Tasmanian's on low income; in accordance with the NAHA and priorities of the State Government. Unlike other States, the money provided does not have to be repaid and households are eligible once every 12 months.

PRSS provide 3 areas of assistance:

- **Core Private Rental Assistance** financial assistance in the form of security deposits and rent in advance for new tenancies; rent arrears for existing tenancies; removals assistance to establish tenancies; tenancy starter packs (which includes information and a \$50 shopping voucher); and non-financial assistance in the areas of budgeting, advocacy and referral.
- **Expanded Eligibility** is aimed at those people who are working but on low incomes and tend to fall through the income threshold eligibility for many other services. This assistance is targeted at those who are (up to) 20% above the Commonwealth Health Care Card cut off levels.
- **Intensive Tenancy Assistance** provides assistance (both financial and non-financial) to those in short-term financial difficulty. Financial assistance is a one-off payment of up to four weeks rent (in addition to core assistance), to assist households cover other expenses i.e. those associated with finalising a previous tenancy, storage and heating costs and power connection or disconnection fees.

Anglicare and Colony 47 combined, provided financial assistance to a total of 5,877 households during the 18 month period from July 2006 to December 2007. This equates to almost 4,000 households per annum. In the same 18 month period, 10,917 units of assistance were provided (a single household might receive more than one form of assistance) and disbursements totalled \$3,812,700. In addition to the financial assistance, 8,054 instances of non-financial support were also provided around the State.

Since 2005, additional funds have been made available for the Private Rental Tenancy Support Service (PRTSS) to work closely with PRSS providing an enhanced service to enable the most vulnerable households

Table 1:
Number and percentage of affordable properties by region

Region	Total number of ads	Number affordable	Percentage affordable
South	248	5	2.0%
North	106	10	9.4%
North-West	33	1	2.9%
Statewide	387	16	4.1%

Table 2:
Number and percentage of affordable properties by household type

Household type	Number affordable	Percentage affordable
Couple on Age Pension	11	2.8%
Single person on Age Pension	5	1.3%
Single person on Disability Support Pension	5	1.3%
Single parent with one child	4	1.0%
Couple on Newstart Allowance ¹ with two children	2	0.5%
Single parent with two children	1	0.3%
Single person on Newstart Allowance	1	0.3%
Single person on Youth Allowance ²	0	0.0%
Single person on Austudy ³	0	0.0%

in the private rental market to access more intensive modes of support. PRTSS is administered by Centacare Tasmania in partnership with the Salvation Army with the aim of assisting households to maintain a successful and independent tenancy.

The majority of the clients serviced by PRTSS are in severe housing stress, many having a history of failed tenancies and debt.

Support is provided to tenants through a variety of settings including:

- one on one outreach support;
- information provision;
- education sessions.

This aims at ensuring that tenant's needs are being met in ways that will ensure the best outcomes possible.

Support is portable and flexible, recognising that the needs of tenants on low incomes are varied. PRTSS works collaboratively with the private rental sector, Government and Non Government Organisations often working together to achieve the best possible outcomes for tenants.

To date PRTSS has supported **2853** households across the state (April 2005 – September 2008), providing **15,759** units of assistance. A report written by external evaluators noting that the cost of the program (as at the release of the report) per household amounted to \$600.91 or \$104.49 per unit of assistance.

Main reasons for seeking support from PRTSS are predominantly issues that can lead to eviction and homelessness if not remedied (tenants being behind in their rent, and needing advocacy education and support to maintain their tenancies).

From all the households who have received support to date only **5%** have disengaged (not maintaining contact with PRTSS), and only **4%** of tenancies were terminated (majority of which being tenancies that were unsustainable).

Support provided to tenants aims to provide them with the tools to ensure self reliance. During every interaction between worker and tenant the focus is to empower the tenant to:

- Effectively maintain their own tenancy;
- Increase independent living skills;
- Increase knowledge and understanding of their rights and obligations within the private rental market;
- Preventing homelessness.

Outcomes the PRTSS program has been able to achieve with tenants include:

- Prevention of homelessness;
- Tenants addressing rental arrears;
- Tenants increased understanding of their responsibilities under the residential tenancy act;
- Maintenance and repairs being acted upon;
- Tenants increasing confidence and being able to advocate on their own behalf.

PRTSS was externally evaluated in April 2007. The report noting feedback from

external services, landlords and real estate agents to include:

"A lot of people would be in deep trouble...there would be more homelessness. Public housing is really stretched, as is crisis housing. Public housing has its place but we need to help private tenants too. PRTSS is very worthwhile and complementary"

"There is nothing like it among any other of the agencies and ... {without it} there would be nowhere else to send these sorts of clients"

"Once the box is opened, you see how useful it is. If it (PRTSS) wasn't there, there would be more pressure on the Tenants Union, Solicitors, magistrate's court...but tenants wouldn't fight for their rights they'd give up."

The report noting feedback from clients:

"I would've been evicted and sent to Tas collection Services for the power bill [as well as rental arrears] and not been able to get the power on in my name at a new place [but instead] I got a good reference from the real estate agent which would be valuable in the future"

"[her case worker] was wonderful. I don't know where I would've gone without her. I would've been devastated... absolutely devastated. I would've been on the street."

In Tasmania the two services PRSS and PRTSS are able to work closely together to achieve significant outcomes for at risk households, preventing crisis and homelessness. Support provided is specifically targeted to meet the following objectives:

- increase the capacity of the client group to independently maintain and sustain a private rental tenancy;
- improve health and wellbeing of low-income people requiring affordable housing, including security and/or stability of tenure, enhanced social and life skills, enhanced sense of safety and increased independence;
- reduce pressure in other areas of the affordable housing system;
- increase access by private rental tenants to the health and community service system; and
- improve support, resulting in successful tenancies for clients with multiple needs in the private rental market.

Not only is this collaborative practice having fantastic outcomes for low income Tasmanians but it also has 4 of the State's large social welfare providers working closer together than ever before. This too has benefits for the client group ensuring seamless service delivery and appropriate and timely referrals.

Workers from the PRTSS and PRSS

service's talk about how important the close working relationship is for achieving positive outcomes for those clients who previously would have ended up homeless. Both services note that the key ingredient for success is through working closely together, almost as one team that the outcomes are so positive.

"I think that it is really important for there to be two separate services one providing financial assistance and the other the everyday support. Both services work hand in glove and together achieve amazing results, it really is about working closely together to get the best outcome possible for the client..."

Whilst these services are predominantly focused on assisting people to establish and maintain safe, stable and affordable private rental accommodation there are of course the other (well documented) benefits: improved employment and educational opportunities, general health and well being outcomes, and improved capacity to maintain family, community and social cohesion.

As is the case with other States, Tasmania is currently reviewing their response to housing and homelessness as part of the new National Affordable Housing Agreement with the Commonwealth. In *The Road Home* White Paper commissioned by the Commonwealth, the importance of supporting people in the private rental market is well documented. The paper notes that some States: "provide targeted assistance to establish and maintain tenancies" and that: "under the National Partnership on homelessness as agreed by COAG... tenants in the private rental market who are at risk of homelessness will be supported with tailored assistance". The paper goes on to talk about the type of assistance that will be provided to those renting privately which (in essence) describes Tasmania's current PRSS and PRTSS programs: "...including financial assistance such as bond, rental and removal payments and non – financial assistance including guidance, support and referrals to appropriate support services." (Homelessness Task Force: 2008).

Whilst additional resources are required to provide targeted and ongoing support to people in the private rental market, Tasmania is already well positioned to be able to build on a strong base of such support and assistance. Anglicare and Centacare in Tasmania are looking forward to being part of the Tasmanian response to housing and homelessness both with the current PRSS and PRTSS programs but also in the development of any new responses for people in the private rental market. ■

Footnote

1. Housing stress is commonly defined as occurring for those households spending more than 30% of their income and where they are in the lowest 40% of household incomes.

References can be found at www.chp.org.au/parity

A Street Survey by Shelter WA for Homeless Persons Week August 2008

Western Australian Homelessness Experience, Perception of the Severity of Homelessness and Opinions regarding what should be done about it

**By Bronwyn Kitching,
Executive Officer,
Shelter WA**

In 2008 Shelter WA, together with WA Tenants Advice Service, the Community Housing Coalition of WA and WA Council of Social Services continued a lobby campaign originally formed in 2006 as the 'No Room in The Boom' campaign to highlight the lack of affordable housing in WA and the rising incidence of visible homelessness. The 'Still No Room in the Boom' and the 'Creating Room in the Boom' campaigns built on the original work and aimed to gain government commitment to respond to homelessness prior to the forthcoming State Election.

The CRiB campaign identified four key areas recommendations for government attention. These were:

1. Restore public housing to 6% of total housing stock;
2. Allocate 15% of all new housing developments for social housing;
3. Legislation to protect tenants from excessive rent increases, along with providing other consumer rights; and
4. Increase the number of crisis beds in homeless services by 50% and provide increased funding to agencies to meet the increased and more complex needs of homeless service users.

The Creating Room in the Boom (CRiB) Campaign: Homeless Persons Week Street Survey was undertaken with four overarching aims:

1. to canvas public opinion to inform and support the CRiB campaign, as well as
2. to explore the views and experiences of a cross section of the WA population about homelessness and
3. to seek solutions about what can be

done to address homelessness; and finally,

4. to raise awareness of the definitions of homelessness.

The survey was undertaken in the central Perth business district (Forest Chase) during weekday lunch hours (12–2pm) from Monday 3rd to Friday 8th August 2008. Surveyors approached people and asked if they would be prepared to answer a short questionnaire, and have their photo taken. If an individual agreed to undertake the survey they were read the Australian Bureau of Statistics definition of homelessness which identified 3 categories — primary homelessness being 'sleeping rough' or living in makeshift shelters, secondary homelessness being living in crisis accommodation or staying with friends, and tertiary homelessness being living in a boarding houses or caravan park for longer than 13 weeks. The survey took approximately 5 minutes.

The survey questions could be grouped in 4 categories:

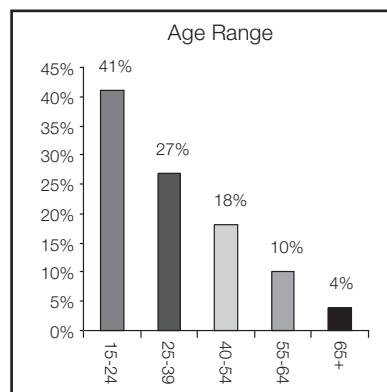
1. Demographic questions — gender, age range and current housing tenure;
2. Experience of homelessness — personal experience and that known to have been experienced by friends and relatives of the interviewee;
3. Perceptions of the severity of homelessness; and
4. Opinions and suggestions about the requirement for government action (if any)

Who Participated in the Survey?

91 persons agreed to participate in the survey.

37% (34) of the respondents were male.

63% (57) were female.



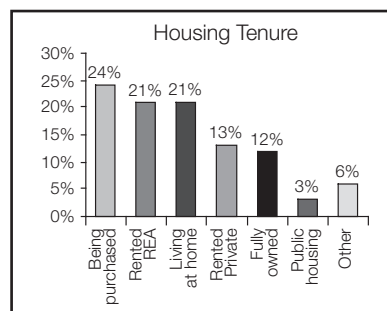
41% (37) of the respondents were aged 15–24;

27% (25) were 25–39;

18% (16) were 40–54;

10% (9) were 55–64; and

4% (4) were aged over 65.



24% (22) respondents were purchasing their home;

21% (19) rented through real estate agencies (REA);

21% (19) lived at home;

13% (12) rented through private arrangements;

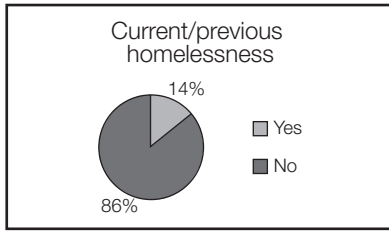
12% (11) fully owned their homes;

3% (3) lived in Public Housing; and

6% (5) had other tenure types (including people who were experiencing homelessness).

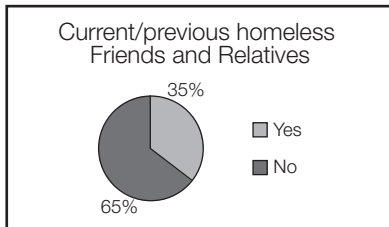
Personal Experience of Homelessness

Respondents were asked if they were currently homeless or if they had experienced homelessness in the last 5 years according to the ABS definition of primary, secondary and tertiary homelessness.



5% of respondents were currently homeless and 9% had been homeless previously.

Homelessness amongst Friends and Family



35% (32) respondents knew someone who was currently or had previously been homeless.

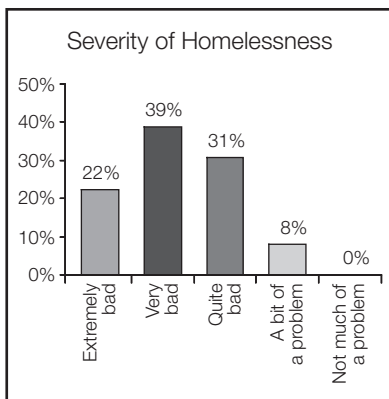
20% (21) of the respondents knew people who were currently homeless,

8% (7) knew someone who was homeless previously and

7% (6) knew the both.

The fact that 14% of a random sample of people in the city had a history of homelessness and 35% of people knew someone who was currently or had previously experienced homelessness was a surprising finding.

People Think Homelessness is a Problem



94% (85 of the 91) respondents saw homelessness as a problem in WA.

22% (19) of the respondents who thought homelessness was a problem said it was 'extremely bad',

39% (33) said it was a 'very bad' problem,

31% (26) said it was 'quite bad',

8% (7) saw it as 'a bit of a problem' and

Nobody who thought it was a problem said that it was 'not much of a problem'.

What Should be Done?

Respondents were asked whether Commonwealth, State and Local governments should do something to address the issue of homelessness.

97% (88) of the respondents supported the idea of government intervention.

Respondents who felt that government intervention was required were then asked to provide comment or suggestions about what should be done by the government.

A following question offered 7 options for respondents to agree or disagree to specific possible government responses. These possible government actions were:

1. Build more public housing;
2. Provide more drug, alcohol and gambling addiction services for people to overcome these problems;
3. Provide more supported housing for people with mental health problems and other disabilities;
4. Give more rent assistance to people on Centrelink so they can afford to pay the rent;
5. Limit the amount landlords can put the rent up;
6. Fund more homeless services; and
7. Impose penalties on landlords for discrimination against Aboriginal people and those from other cultures.

The most popular response to this question received 94% (83) agreement.

- People overwhelmingly felt that 'more supported housing for people with mental health issues and other disabilities' was a response required from government (94%: 83 people),
- followed by more funding for homelessness services (93%: 82 people),
- more public housing (89%: 78),
- more drug, alcohol and gambling addiction services (82%: 72).

Surprisingly, even the less favoured possible actions from government, limiting the amount landlords can put the rent up gained 78% (69) agreement, imposing penalties on landlords for discrimination against Aboriginal people and those from other cultures gained 77% (68) agreement, and providing more rent assistance to people on Centrelink benefits gained 72% (63) agreement.

Conclusion

Overall, it was reasonable to conclude that people in Perth have a high level of awareness about the issue of homelessness. The finding that 14% of respondents had personally experienced homelessness and 36% knew someone who experienced homelessness means the situation has been experienced by ordinary Perth residents.

This survey was worthwhile to identify, from a small sample, the prevalence of homelessness in Perth and identify and promote the public opinion that governments have a responsibility to address the issue.

This survey was only a brief snapshot and did not explore or address the true and full lived impact of homelessness on people who directly experience being without secure housing. Since undertaking the survey in August 2008, much has changed across our political and social landscape, from a Western Australian, National and global perspective. Australia elected a Labor government in November 2007, after more than a decade of conservative policies that reduced real funding to social and human services during a time of increasing population growth, economic strength and inflated housing and rent prices — leaving those at the coalface unable to provide the volume or variety of services required to address the needs of those seeking assistance.

The first Green Paper of the Rudd Labor government was released in May 2008 *Which Way Home? A New Approach to Homelessness* with the subsequent release of the White Paper *The Road Home A National Approach to Reducing Homelessness* identifying challenging targets to deal with the issue in December 2008.

During 2009 the Council of Australian Governments has introduced a Reform Agenda, promising major overhaul of State and Commonwealth relationships and funding arrangements, and importantly, better coordination, clear measurable targets and expected outcomes, and some consistency across and between government and departmental jurisdictions to respond to complex and multidimensional social ills such as homelessness and aboriginal disadvantage.

The CRiB group in WA will be considering undertaking this street survey again in 2009. To see the full report including the questionnaire and qualitative responses go to the Shelter WA website: www.shelterwa.org.au ■

* This article was prepared from the original Report prepared by Curtin University Bachelor of Social Work Student Ms. Keiko Miyazaki.

For a full view of the Report go to http://www.shelterwa.org.au/publications/papers_reports/2008/Street_Survey_Homelessness_in_WA_Oct2008.pdf

Last Exit to Bowden: SA Mental Health Consumers Need More Bricks, Mortar, Solar Panels and Supports

**By Geoff Harris,
Executive Director,
Mental Health Coalition of
South Australia***

After years of the growing housing crisis being ignored by politicians and the general public recent Government announcements for interventions are most welcome but will they enable people living with mental illness to find — and maintain — a home to call their own?

To achieve this we will need more than the bricks and mortar on offer. After all, as the rather catchy State Government jingle goes — “We are all in this together”. For many the journey is still too often taken alone.

After years of neglect the current South Australia has invested in mental health policy, strategic direction and infrastructure. The Social Inclusion Board’s Stepping Up Report and the State Government responses identified new models of care to drive change in the system to a more recovery-oriented focus. New equal opportunity laws will increase protection of people with a mental illness are most welcome. However, there is still a way to go.

People with mental illness remain among the most vulnerable and disadvantaged groups in our community, they are at greater risk of homelessness due to requirements of personal care, social isolation, family breakdown, stigma, discrimination and breakdown in housing tenure due to hospital admissions.

For those without a home their employment or income support can be jeopardised and stays in hospital, crisis accommodation, boarding houses and hostels, ‘couch surfing’ and on the street are among the limiting options available. None of this is conducive to recovery. For someone with a mental illness or disorder, appropriate and secure housing is critical for recovery. However, for many, their tenure of housing is jeopardised through a lack of options, flexibility and support.

Of course, not all homeless people have a mental illness and the majority of people with a mental illness are not homeless. However, homeless people are more likely to experience mental health problems than the general population.

For anyone, safe, affordable, secure and stable housing free from discrimination is essential to maintaining mental health and building a good life. For people with a mental illness there is increasing experience of

homelessness or inadequate housing. The solutions rely not just on availability of bricks and mortar but for many people struggling with a mental illness additional support may be required to access housing and successfully manage a tenancy.

To understand the depth of the problem, even many people who are receiving a relatively high level of support from the mental health system are not immune to housing problems. A recent survey of people with mental illness being case managed in the public system in SA shows that around 80% are on a disability support or Newstart benefit. Of this group approx.30%, or around 2000 people, had experienced homelessness or vulnerable housing in the preceding 12 months.

Mental health is a complex issue affected by a range of health and social factors. We are still learning about the relationships between mental health and factors such as age, gender, culture, life experiences, social and economic factors. What is observed is the positive effect that access to treatment, services and support has on the likelihood of recovery.

What is absolutely certain is that stigma around mental illness is strongly held and that as a consequence many people with mental health problems needlessly experience discrimination and social isolation as a result.

That stigma is served up in double helpings when a person living with mental illness is also homeless.



‘I know I’m not going to here for long, so I’m not going to unpack everything. I’ve just got it all off the trailer.’

Sadly, Australian public opinion of the homeless is similarly unsupportive and ill-informed. A Hanover survey found that 74% of Australians believed that not only were the homeless somehow to 'blame' for their own situation that even more disturbingly there was not much society could do to change this.

It is little surprise then to learn that people with mental health problems are particularly vulnerable to discrimination and housing based poverty in accessing the private rental market. This is an issue that is compounded by an increasingly high level of pressure in even finding a place to rent. In recent years Adelaide housing prices have crept up and we are typically seeing rental vacancy rates dropping below a very tight 1% and consistently under 2%. This may be great news for investors, but it is cold comfort to those in need of affordable, stable and secure homes. The most obvious effect is an increase in rents well in advance of wages and other income and a subsequent increase in rental stress where a person is paying \$1 or even more of every \$3 they have coming in on the rent — leaving them less money for essentials such as food, utilities and transport and almost certainly no money for emergencies, unexpected bills such as medical expenses or the proverbial 'rainy day'.

Low income households have borne the brunt of these pressures. In 1996, for example, 43 per cent of lower income private renters paid more than 30 per cent of their income in meeting their housing costs. By 2006, this proportion had increased to 60 per cent.

By the beginning of the 21st century this housing stress had become noticed internationally. The United Nations had become so concerned that the UN Special Rapporteur on Adequate Housing, Miloon Kothari, requested an official visit to examine the growing housing crisis, a world first for a developed nation. His subsequent report was highly critical and echoed the disbelief of many Australians that such a crisis should exist in a developed and prosperous nation who was built on a 'dream' of home ownership and quality of life.

With the election of the Rudd Government, the affordable housing crisis and homelessness as an issue has been elevated. Around the nation, Labor MPs were sent to local shelters and other homelessness services — instructed by their Leader to see these issues first hand.

Those who work with the most vulnerable Australians were excited to embrace the opportunity to educate our political leaders about what is required to create real and meaningful change.

However, without major additional investment in public and community housing substantial improvements in housing affordability cannot be achieved. This is one area where the market alone has been shown to be unable to deliver adequate social outcomes, when even economic bodies like the Productivity Commission have recognised that publicly

funded housing is an efficient way to deliver housing options.

Since this first flush of a new Government making its mark the Global Financial Crisis has struck fear into the hearts and minds of bankers and boilermakers alike. With the markets 'lost confidence' there was also a risk that housing and social inclusion would go down on the priority pile of Government.

Yet the Rudd Government response was to announce a nation-building package including significant amounts of public housing.

Rather than being put on hold public housing has actually been fast-tracked in the wake of the GFC. The Senate greened up the package and so these houses may now have solar panels, but will they also be accompanied by supports for those living with mental illness to maintain tenancy?

Even more encouragingly, the Rudd Government's White Paper *The Road Home* contends that in a country as prosperous as Australia, no one should be homeless. *The Road Home* also pronounces that there should be "no exits into homelessness" from shelters, crisis care and hospitals.

The housing issue was first highlighted by Kevin Rudd in terms of his personal childhood experience of homelessness and crisis and it certainly seems that the issue is 'personal' for the newish PM. So it should be.

Solving the affordable housing crisis is not just personal, it is also politic.

Housing is the key to our prosperity as a people. It is the key to education, employment, health, opportunity and optimism. It is often said housing is an investment and that a dollar sent on adequate housing can save two spent on health or justice — but that promised dollar will have effect for improved mental health outcomes only if that dollar is spent on more than just the bricks, mortar and solar panels.

Adequate, appropriate and timely supports are what can and will make a house a home for many Australians with mental illness.

Despite the good intentions, people with mental illness will miss out on 'affordability' schemes if that is all they are. The growing housing affordability crisis also requires specific focus on support initiatives for people already disadvantaged in the housing market for reasons beyond affordability. The solutions being proposed so far for housing affordability on their own are not likely to help people with mental illness, disability or the homeless.

In early 2009 the Mental Health Coalition of SA released a Statement on Housing for Mental Health calling on State and federal governments to work solve the housing crisis for people with mental illness.

Whilst most attention is on new mechanisms for affordability and this focus on housing affordability is welcome, decision-makers must never again forget that availability of public and community housing is key to the solution to supporting

people who are already marginalized in society, and further that supports for mental health consumers must be present regardless of their choice of private, community or public housing. Whatever that type of housing we must also ensure that timely, coordinated and targeted programs are implemented to deliver housing and supports for people with mental illness, including people exiting different parts of the mental health system, such as hospital.

The MHCSA would like to see state and federal governments working together by agreement to a five-year Housing for Mental Health Plan that can invest on a sufficient scale to provide long term, coordinated housing and support options for people with mental illness in SA who are currently in severe housing stress. A successful five-year plan in SA should set the goals of providing access to appropriate housing and support options for all people with mental illness.

Addressing the housing needs of people with mental illness must also include an understanding of the essential role support services play. For many scraping together a bond and the regular rent will not be enough. People living successfully in private rental still require varying levels of support and assistance to maintain tenancy, especially during times of high need or hospitalisation.

In the private rental market it is more than making the rent it is also a matter of breaking down barriers of discrimination and building bridges of understanding. Landlords too need supports and education to increase links between services and to reduce discrimination.

Neighbours may also need a little guidance if we are to reduce discrimination. In early April the State Government's announcement of a new clean and green village to be built in Bowden/Brompton was met in letters to the editor fears that the development would be harmed by the retention of the suburbs' current social housing tenants.

Stigma and the 'Not In My Backyard' ethos deeply impacts on the housing outcomes for people with mental illness in such matters as access, resourcing and placement of housing. There is an important advocacy role to be played by community organisations in educating the public about the need to listen to the voices of people with mental illness and their families.

Increased acceptance will eventually prevent the outbreak of 'not in my backyard' syndrome rife across South Australian suburbs and hopefully enable those living with mental illness to host those people over for a BBQ in their very own backyards — maybe even in the new Bowden Village. ■

* *The Mental Health Coalition of South Australia is the peak body for the non-government mental health sector in South Australia. Our vision is to ensure that all South Australians affected by mental illness are receiving the support they need to live well in the community.*

Young People's Road to Private Rental

By Lisa Kosandiak,
Sharyn Goudie
and Leanne Cornell-March,
Service to Youth Council Inc

The Federal Government's recently released White Paper, *The Road Home*, outlined the issue of youth homelessness and how it can be prevented in the future. Strategies to prevent youth homelessness included increasing the supply of affordable housing and specialist housing models that target people who are homeless or at risk of homelessness (Commonwealth of Australia December 2008: 46). The rationale for this lies in the decreasing amount of available rental accommodation and the increasing shortfall in affordable public housing.

Young people are increasingly being locked out of the private rental market. Young people encounter a number of barriers to accessing stable independent housing including having limited or no rental history, lower incomes than the general population and limited independent living skills. Young people who are homeless, or at risk of homelessness, are at even greater disadvantage due to their very limited support networks and the complexity of their situations.

Service to Youth Council Inc (SYC) recognises the importance of addressing youth homelessness in its early stages before a young person enters into a lifestyle of chronic homelessness. SYC are targeting this group of disadvantaged people by assisting them to maintain independent accommodation, including private rental, through the provision

of two programs — the Cooperative Foundation Court (CFC) and The Rent Club©.

CFC provides medium term affordable accommodation for young people aged 17 to 25 years, who are facing barriers to obtaining long term accommodation. CFC operates to "fill the gap" between homelessness and private rental, as a small group of units located in the Adelaide CBD, based on a community housing model. Young people can remain at CFC for a maximum of twelve months.

In order to prepare young people for private rental, SYC also runs The Rent Club©, a program for young people who are entering the private rental sector for the first time. The Rent Club© covers information about the legalities of private rental, the rights and responsibilities of tenants and landlords, budgeting, and how their behaviour as a tenant can affect their potential to remain in a private rental property.

The Evidence for CFC

The success of CFC as a housing model for young people is highlighted in the achievements of the young people who have resided at CFC. Since 1995, 131 young people have been accommodated at CFC, with 70% aged less than 20 years old. Before entering into CFC accommodation, nearly 40% of young people were "couch surfing" or living between numerous friends and family members. A further 22% of young people were accommodated in the SAAP sector and another 16% resided temporarily with family, including extended family. Over

70% of tenants exited CFC to independent accommodation; nearly 40% of young people moved into the private rental sector, nearly 25% entered into Housing SA properties and 16% returned to family.

With the assistance of an SYC Social Worker, young people are assisted to engage in education, training and employment whilst at CFC. 49% of tenants housed in CFC since 2004 had a day time activity at the commencement of their lease; with 20% involved in the JPET program, 17% engaged in either casual, part or full time employment and 12% enrolled in high school. Upon leaving CFC, 73% were involved in a learning and/or earning pathway; 40% of young people had secured some form of employment, 26% were involved in a pre-employment program such as JPET, the Personal Support Programme or the Job Network, and 13% of people were enrolled in school. By providing stable accommodation, tenants are able to feel secure in their tenure and focus on entering into the workforce or a training opportunity to assist with securing employment.

The Government's White Paper also acknowledged that affordable housing is essential to underpinning the long-term response to homelessness. CFC assists with this by being a cost effective model of housing. Currently, rent is an affordable \$90 per week, with tenants also being able to claim Rent Assistance if they are accessing Centrelink. For young first time renters, this assists to ease them into the rental market while they learn to budget for rent, bills, food and other expenses. CFC is also a cost effective sustainable model to manage as it is only run on rental payments. Set up through a partnership with the Adelaide City Council, SYC uses the rental payments to fund the support and maintenance of the property making it much cheaper than many other housing support programs.

Due to the successful outcomes for young people, cost effectiveness and sustainability of this model SYC is seeking to expand its CFC model by establishing more properties in the metropolitan area. This will allow more young people to stay in their preferred area of Adelaide, where they have existing support networks and are familiar with locations and resources.

CFC and The Rent Club© aim to move young people quickly out of homelessness, by providing an accommodation experience where they can learn about private rental, daily living and link back into their community through education, training and employment. ■

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'This is my son's 13th home, and he's only eight. This is his 7th primary school'

“The Landlord, Agent and the Tenant”

**By Dianne Noyce,
Executive Director,
Lisa Lodge**

In 2004 Lisa Lodge gained a \$250,000 donation from the Robert Clark Memorial Trust established in 1984 to recognise the community commitment of *The Courier* founder Robert Clark. This was used to purchase a derelict two bedroom house on a very large block to build units that would provide accommodation for people who were clients of the agency and were able sustain a private rental tenancy.

The management committee committed their own additional funds to build four single units at the rear of the property and renovate the house. A local architect was chosen for design work and supervision and a local builder was appointed.

There were no complaints from neighbours regarding planning approval although there were several calls to the agency commending the project and especially the improvement to the site.

In January 2008 the flats were ready to be occupied. Staff that regularly used private real estate agents were asked to provide business names that were sympathetic to the agency's client base. They named seven, each was sent a letter asking them to consider tendering for the property management, they were also asked to outline all charges and indicate the rent that Lisa Lodge could expect as most tenants would be on some sort of Centrelink benefit. All formally responded, fees ranged from 7.7 % to 5%. The rent for the units at market value was \$190:00 each and the house \$200:00. One agent contacted the agency personally outlining his experience and saw it is as real opportunity to work with a welfare service like ourselves. He also agreed that clients being on the TICA register wouldn't preclude possible tenants. Lisa Lodge accepted 5.5% as the management fee and rent was fixed at \$115 for the single units and \$120 for the house.

The units were initially occupied by two young couples and two lone women and the house by a lone woman who regularly has grandchildren stay. The reduction in income accepted by Lisa Lodge has assisted tenants to reside in brand new units, in a great location close to shops, transport etc and hopefully improves their financial situation. The tenancies were for six months and if all going well then another six months would be offered however currently tenants are not being asked to leave at the end of the twelve month period as they have been wonderful tenants, although they will be asked to consider

moving after their third tenancy. There has been no damage and rent is received on a reliable basis. If tenants didn't have their own white goods and television when they moved in these were provided at no cost.

Something that we hadn't considered was the role the writer played as the representative of the landlord. When the project opened all agency programs were informed so clients could be referred. When all applications were in the agent contacted the writer for a decision regarding suitability. The writer knew or had access to most life circumstances, originally we thought the agent would choose tenants but like all private rental properties they contact the landlord. Given the agency has a reputation for working with complex clients and often experience neighbourhood complaints applications were accepted from clients who we were confident could maintain their tenancy in a way that would ensure the projects longevity and minimise neighbourhood concern. Some agency staff were disappointed that their clients were not accepted however overall all are very proud of the model.

The Tenant — [12 months later]

I first came into contact with Lisa Lodge when I found myself homeless. I was living out of my car, staying sometimes with friends, and house sitting. My life situation had changed dramatically after my marriage breakdown. I was unemployed, and without any financial backup. I was becoming more depressed at my situation, and I was finding it extremely difficult to focus on anything, not knowing where I was going to sleep from one night to the next. I had been to see a welfare agency and they mentioned Lisa Lodge. I went there and walked into their office straight off the street. I was feeling ashamed, embarrassed, emotionally “shot” and ready to give up. Definitely, not a high point.

I was so unprepared for the reception I received. The staff were gentle and caring and seemed to know exactly how I felt. They treated me with such care and dignity when, inside my head, I was beating myself up for having got myself into such a mess. All the built up emotion started to surface and I began to cry. Something I hadn't felt safe to do until then. I felt these were women who were genuine, and they treated me with respect. All judgements I had about myself were not reflected in the faces looking back at me.

Without any finance behind you it is impossible to find rental accommodation, as there is no way you can afford a bond, yet alone rent in advance.

I have found as a single women living on “New Start”, although grateful for the income, it simply isn't enough to buy food and pay bills. At the unit I started with empty cupboards and gradually built up.

I have been able to make anew life. I moved into a new unit with just a camping mattress, much to the dismay of my case worker. I was just happy and excited to have a place of my own, and not to have to stress about where I was going to sleep. I had my mattress on the floor and I was in heaven.

I look back now and am thankful I can write this as my first thought was to turn it down however I have found the experience of writing about my homelessness as a way of closing this time in my life. Originally I thought I would be in and out of my unit in a flash, yet I now realise that having a roof over your head is just the beginning. I am incredibly grateful to have had this time to come to terms with my situation and to adjust. Having the gift of a safe, affordable home has been the foundation stone for me.

The Agent

Lisa Lodge requested Wes Davidson Real Estate to present a proposal and rental appraisal on their properties. A written proposal was prepared along with rental appraisals on each of the five units.

I was invited to speak with the Executive Director of Lisa Lodge; in that meeting she outlined the needs of Lisa Lodge and the desired outcomes for the prospective tenants of the properties. I was told to deal with the tenants as if they were in a normal private rental situation and that the rules and regulations of the Residential Tenancies Act 1997 would apply to each and every tenant at the complex.

I initially saw the project as a commercial decision but through working with the Exec. Director and the workers at Lisa Lodge I have seen the advantage of giving someone a ‘break’, I had had experience with clients from Lisa Lodge and had seen the difficulties that each client had obtaining properties in the private market due to age, unemployment, no or bad rental references etc. The tenants at the complex have done a fantastic job in both paying rent and looking after the properties.

We have had the same tenants in the properties for the past 18 months and I believe that each is more than ready and able to tackle the private rental market and all have and will be given a rental reference that should enable them to secure housing in the future. ■

Stories from the Waiting List

**By Kathleen Flanagan,
Research and Policy Officer,
Anglicare Tasmania**

**Photographs
by Adam Quarrell**

'Stories from the waiting list' was an exhibition of text and photographs mounted by Anglicare Tasmania in 2007 documenting the experiences of Tasmanians waiting for public housing (Anglicare and Quarrell 2007). Interviews with participants explored the issues affecting households on the waiting list: the real-life consequences of an under-funded, tightly-targeted, crisis-oriented system. And although financial stress, substandard housing, difficulty finding employment, discrimination and overcrowding were all concerns, the most significant, frequently arising and influential issue that emerged was the lack of security of tenure.

The people who told their stories for the project came from many walks of life. Some had once been home owners. Now they lived in the private rental market or were homeless. The photographs illustrating their stories show the bleakness of their lives: institutional crisis accommodation, poorly-maintained private rental, a two-seater couch on which a grown adult slept, children's toys in a brokered motel room. They talked of moving constantly, in search of affordable rent, longer leases or proximity to essential services. Some were homeless and couch-surfing or in crisis accommodation. Many lived out of suitcases, waiting for the next move; the rest of their belongings were in storage or went with them in cardboard boxes.

One eight year old boy had lived in 13 houses and attended seven different schools. An 18 year old woman said, 'It's fun and stuff, staying with your friends, but then it's not fun. It's not quite fun in the end. You just get sick of moving, you just get sick of it all.' Another couch-surfer said, 'I often wake up in the middle of the night and don't know where I am. I look at the window and I think it's a doorway and it's all over the place.' One man described his life: 'It makes you really frightened, a bit paranoid. You can't collect anything, like I saw my parents collect in their lifetime. Possessions and those things would disappear. Or photographs, things like that. It's all gone. You become no one, flotsam, jetsam...'

Low income private renters tend to be mobile. Participants in a 2002 research study had moved on average 5.3 times in the preceding five years (Cameron 2002) while a survey of the Tasmanian community found that 46% of people renting through a real estate agent and 25% renting through a private landlord had moved at least once in past year, compared to only 11% of home purchasers and 5% of home owners (Madden and Law 2005). The private rental market in Australia is structured around short-term leases, so

that landlords, who are usually small-scale, can have swift access to the capital locked up in their property (Burke 1999). Short-term leases are often hailed as offering 'flexibility' and 'choice'. But a survey of private renters in Queensland found that while most tenants would prefer a short-term lease with the option to extend if required, older people, low income earners, income support recipients, single parent households and households with school-aged children would prefer the security and stability offered by a longer-term lease (Minnery et al. 2003).

Many people interviewed for the exhibition had experiences of both private rental and homelessness. Their stories highlight the precariousness of private tenancies and the ease with which circumstances can lead to homelessness: 'I actually owned my own home. My wife wanted to move, we sold the house, moved down south, just renting first up. Three times we moved down there because all the houses got sold from under

us. That was before the divorce. And after that, I was living with friends and mates.' While private renters also talked about affordability and housing quality, and people who were homeless also talked about lack of privacy and safety concerns, what was common to both groups were the consequences of being unable to settle permanently in one place: discrimination from employers, emotional stress and feelings of dislocation and disconnection.

In their survey of Queensland tenants, Minnery et al. (2003) identified five interpretations of 'security of tenure': legal security of tenure associated with a lease agreement; whether the tenant feels they have a choice in when they move on; whether the tenant feels control over their tenancy; whether the tenant feels confident that the tenancy will remain affordable; and the degree of certainty felt by the tenant that the housing is right for them and by the landlord that the tenant is satisfactory. Respondents placed



'You can't use your own, you can't make it homely because nothing here is yours. My things are in storage. It's got everything you need, but it's not the point. You never feel comfortable, like anything's yours.'

less emphasis on legal security of tenure and more on the other aspects. Similarly, the people interviewed for 'Stories from the waiting list' spoke of secure tenure in terms of being able to decide when and if they moved, being able to put their own 'stamp' on the property, and being confident that their rent and other tenancy conditions would remain appropriate to their circumstances.

Not all of those interviewed intended to live in public housing for the rest of their lives, but the fact they would not have to move on until they were ready to do so was critical in shaping their hopes for the future. For many, stability was encapsulated in the idea of a garden. 'Just a house, with a front lawn and a back lawn. Something to mow. Something to look after,' said one homeless father. A private renter said, 'I'd be more stable, more relaxed. Be able to get out into the garden. I can't do it here because I know it's not mine. I mean, Housing isn't mine either, but it's more stable than people putting up the rent or saying, "well, you've got so long to move out"'. A woman living with her seriously ill daughter in substandard private rental said, 'If I could get a housing commission place and know it was mine and I could do the garden, and our two cats would be safe there... I'd treasure it. I really would.'

Security of tenure matters — in relation to stress, self-esteem, motivation, capacity to address wider personal issues, capacity to develop supportive relationships and networks with the community, family stability, children's education and community participation (Lewis 2006). The Australian Institute of Health and Welfare's 2007 national survey of public housing tenants found that 59% of tenants reported that their quality of life had improved since moving into public housing, and of the four most commonly reported benefits, two were related to tenure: feeling more settled and being able to stay in the same area (AIHW 2007).

Unlike states and territories such as New South Wales, Queensland and the ACT, the Tasmanian public housing system still effectively offers 'tenure for life'. Provided they comply with their lease agreement, tenants who would no longer be eligible for entry into public housing are able to remain in public housing indefinitely, although Tasmania's variable rental rate (presently under review) charges higher-income tenants higher rents. But nationally, public housing has been shifting to a different approach. Successive Commonwealth-State Housing Agreements emphasised the concept of providing housing assistance only for the duration of need, and it is clear that the reform agenda being promoted by the Commonwealth continues this trend. The Nation Building and Jobs Plan agreement requires the 'implementation of support arrangements to assist social housing tenants to transition from social housing arrangements to affordable private rental and home ownership as their circumstances change' (COAG 2009, p. 14).

Yet how realistic is this? Hulse and Burke (2000) argue that private renters are more socially excluded than social housing tenants: many private renters are as disadvantaged,

but private rental as a tenure is not structured to accommodate their disadvantage. Affordable private rental is located far from services and job opportunities and the system favours landlords' needs over tenants'. The National Rental Affordability Scheme may assist but its market-linked rents may undermine its impact. Modelling suggests that the discounted rents will only improve affordability for one quarter of the poorest eligible households (Ong and Wood 2008).

What of home ownership? Sixty per cent of Tasmanian renters would like to buy a house in the next five years — although only 21% think they will (Madden and Law 2005). But despite the First Home Owners' Grant, low interest rates and a blossoming of shared equity products, house prices in Australia remain high and for many low income earners, particularly those with complex needs, committing to a mortgage is neither affordable nor appropriate.

And why is public housing so undesirable as a long-term housing option anyway? Many of the intangible benefits of ownership — a sense of identity, security, independence and control — are shared by public housing tenants (Lewis 2006). Despite this, security of tenure in the public housing system is often presented in negative terms — try discussing it and you'll hear how it 'blocks' the system (that is, tenants whose circumstances have improved are selfishly preventing people in greater need from moving into public housing) and 'traps' people in public housing (that is, security of tenure compels people to stay in dead-end public housing instead of moving on to better, brighter places).

But neither of these criticisms hold up to scrutiny. What 'blocks' the system and prevents access by people on the waiting list is the lack of supply resulting from years of government neglect — in Tasmania, the supply of public housing fell from 13,178 dwellings in 2001 (SCRCSSP 2003) to 11,618 in 2008 (SCRGSP 2009), a reduction of 11.8%. What 'traps' people in public housing is not tenure policy, it is the dearth of genuinely affordable, accessible and secure alternatives.

So what is the answer? The Australian Government says that 'no one should be homeless' (Australian Government 2008, p. iii), but if home ownership is not an option for the most disadvantaged and private rental doesn't meet their needs, then where are people supposed to go? The households interviewed for 'Stories from the waiting list' were clear. They wanted more government-funded housing for low income earners like themselves, choices about where they lived, and a more informative, respectful, responsive system. Perhaps surprisingly, given recent rhetoric about the iniquities of broadacre estates (e.g. Plibersek 2009), their desire to choose where they lived was usually linked to wanting a location that met their needs (to fit in with custody arrangements, to get away from a violent partner or drug-dealing friends, to be near health services) rather than about avoiding particular areas because of their reputation, although this was a factor for some.

Above all, people wanted a place where they could settle, raise their children, start working and live a normal life: 'Mostly it's for the kids. We can establish where they're going to go to school. They could say, "That's my room." They'd have a yard to play in. Maybe start going to birthday parties.'

Security of tenure matters. ■

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Opinion — Adrian Pisarski Chairperson National Shelter

Renting: It could also be a solution to a fading ownership dream?

Most Australians look to home ownership as an integral part of their life plan but increasingly home ownership is moving out of reach. This leaves them to the vagaries of the rental market yet improving renters' choices could also improve home ownership opportunities.

The Australian housing market is characterised by a large home ownership market (approx 67% and shrinking), a large private rental market (approx 27% and growing) and a small affordable housing market (approx 5%, made up of public and community housing).¹ We are also experiencing a supply shortage. HIA estimates we have been under supplied by 30,000 properties per annum for the past 5 years or more.

Increasing the size of the affordable housing market and providing genuine choice for renters will bring down the price of renting, but could also stabilise and lower the price of home ownership. Greater choice and boosted rental supply will help to address some of the distortions in the Australian housing system.

Renting in Australia is tougher now than for any period since the 1930s and '40s with rapidly rising rental costs and extremely tight rental vacancy rates. There is no doubt this has increased Australia's already high rate of homelessness, increasingly for household types (like couples with children and seniors) who were not previously on the radar.

The Howard Government ignored the situation of renters for 12 years assuming the market would "adjust" any negative impacts on rental costs and availability. It ignored the fact our housing "market", including residential rental, is distorted by tax concessions,² and never adjusted policy to provide sufficient supply, appropriate price or planned availability and amenity. Something the Henry Tax Review must address to restore fairness to our housing system.

Renters are decreasingly able to consider home ownership and are often stuck in poverty traps due to high rents near employment, education, transport and health opportunities. Renters in Australia rely on tenancy legislation geared to rental as a short term alternative to home ownership with little control over price, security of tenure or amenity. This situation calls for a new agenda for renters.

Fortunately we now have a Rudd Government committed to a new understanding of the problems facing renters and who have put in place many elements of a new policy framework.

The new agenda sees housing as important to social inclusion, sees homelessness as avoidable and the community sector as a major deliverer of housing and support services. This is an agenda we can embrace.

Our sector, homeless services, community housing providers, charities and other social services, has a tendency to criticise everything prior to properly assessing its intent or delivery. The agenda is moving quickly, we will need to keep up and constructively contribute rather than only criticise, suggest how things should be rather than whinge about what they don't do.

That is not to say everything is being done exactly as it should. We need to use NRAS in conjunction with stimulus capital to achieve affordability throughout the continuum of need. It needs to have appropriate support attached to ensure sustainable tenancy, homeless programs needs to adapt to the new agenda as well. Programs for people experiencing homelessness need to lead into employment, education, improved health and community connection.

Home ownership has always been central to Australian identity and may still be for most. For increasing proportions though, rental housing will be the future reality. The new agenda needs to ensure that renters are a legitimate part of an Australian identity with improved legislative protection, access affordability and choice. After all we still believe in egalitarianism, a fair go for all, renting can play its part and could also help more renters to achieve ownership. ■

Footnotes

1. There is also approx 1–2% living rent free.
2. Mainly through Capital Gains Tax exemptions for owners and investors and via Negative Gearing claimable against any income source.



Photograph provided by the *Stories from the Waiting List* project. Photograph by Adam Quarrell.

