

PositiveLifeNSW

the voice of people with HIV since 1988

Committee Secretary
House of Representatives Standing Committee on Social Policy and Legal Affairs
PO Box 6021
Parliament House
Canberra ACT 2600
spla.reps@aph.gov.au

Re: Submission into the Inquiry into Homelessness in Australia

Dear House of Representatives Standing Committee on Social Policy and Legal Affairs
Committee Secretary,

Positive Life NSW (Positive Life) welcomes the opportunity to provide a submission into the Inquiry into Homelessness in Australia.

Positive Life is the state-wide peer based non-profit organisation that speaks for and on behalf of all people living with and affected by HIV in NSW. We provide leadership and advocacy in advancing the human rights and quality of life of all people living with HIV (PLHIV), and to change systems and practices that discriminate against PLHIV, our friends, family, and carers in NSW.

Background:

The House of Representatives Standing Committee on Social Policy and Legal Affairs resolved in February 2020 to conduct an [inquiry into homelessness in Australia](#), which will “seek to understand the factors that contribute to people becoming homeless, identify opportunities to prevent homelessness, and examine ways to better support the homeless and those at risk”, with aims to “understand how we can better support those who face it, and help some of the most vulnerable in our community”.¹

Homelessness encompasses a range of states of housing, from sleeping rough on the streets to forms of housing which are below a minimum community standard, including couch-surfing, living in overcrowded accommodation, or living in unsafe conditions. The Australian Bureau of Statistics (ABS) definition of homelessness incorporates three key elements: adequacy of the dwelling; security of tenure in the dwelling; and control of, and access to space for social relations.²

The World Health Organisation, in their Housing and Health Guidelines, state that: “improved housing conditions can save lives, prevent disease, increase quality of life, reduce poverty, help mitigate climate change and contribute to the achievement of the Sustainable Development Goals ... The world’s urban population is expected to double by 2050 and will require housing solutions. Changing weather patterns, associated with climate change, underline the importance of housing providing protection from cold, heat and other extreme weather events in order to promote resilient communities.”³

The incidence of homelessness in Australia

¹ Parliament of Australia, ‘Media Release: House committee to examine homelessness in Australia’, (2020), accessible at: https://www.aph.gov.au/About_Parliament/House_of_Representatives/About_the_House_News/Media_Releases/House_committee_to_examine_homelessness_in_Australia

² Paul Flatau, Ami Seiwright, Chris Hartley, Catherine Bock, Zoe Callis, ‘Homelessness and COVID-19 CSI Response’, Centre for Social Impact, (2020), accessible at: https://www.csi.edu.au/media/uploads/csi-covid_factsheet_homelessness_statement2.pdf

³ World Health Organization, ‘WHO Housing and Health Guidelines’, (2018), accessible at: <https://apps.who.int/iris/bitstream/handle/10665/276001/9789241550376-eng.pdf?ua=1>

The Australian Broadcasting Corporation (ABC) reported in 2020, that at the last census in 2016 there were 116,000 people who were homeless in Australia, which denoted an increase of 15 per cent since 2011. Some states were worse off than others, with nearly a 40% increase in homelessness in NSW over the same time period. According to the ABS, nearly 20% of Australia's homeless are children aged 12 years and under, and approximately 50% are aged 25 years and under. Statistics from late 2019 demonstrated that crisis services had to refuse service to more than half of the people who asked for help with housing. Additionally, government figures report there are currently 50,000 people on a five-to-10-year waitlist for social housing.⁴

The Productivity Commission's 2020 annual 'Report on Government Services' conducted by the Commission's steering committee provides "information on the equity, efficiency and effectiveness of government services in Australia". The report outlined data relating to unmet demand for accommodation services among the homeless has increased 7.9 percentage points since 2014-15, and that 33.8 per cent of "clients with an identified need for services" do not have this need met.⁵

Australia has the OECD's third-highest homeless rate, despite being one of the world's wealthiest per capita nations. Independent Australia reports that approximately one-third of people who are homeless in Australia are migrants, and the majority of these are relatively newly arrived, with a likely median of five years in Australia. One-in-four people who are homeless are Aboriginal and/or Torres Strait Islander people. The number of Australians who are homeless has been increasing year on year without exception for the last three decades, for both the young and old.⁶

In April 2020, Community Housing Industry Association NSW CEO Mark Degotardi stated that "there is a shortfall of more than 200,000 social and affordable homes in NSW right now, with almost 60,000 households waiting for social housing. With demand set to rise for years as our economy recovers [from COVID-19], business as usual is not an option. The housing crisis is here, and a crisis response is required."⁷ The situation is similarly dire throughout the rest of Australia.

Experiences of Homelessness and Social Determinants of Health

Housing NSW located within the Department of Communities and Justice, formerly Family and Community Services (FACS), has stated that: "homeless people are marginalised within the community and experience barriers to participation in social, recreational, cultural and economic life. There are particular issues faced by homeless people who use public spaces to sleep, store their personal belongings and gather together."⁸

The Council to Homeless Persons (CHP) in 2018 reported research that shows that the people who have experienced long term rough sleeping have an average life expectancy of just 47 years compared to 77 years amongst other Australians.⁹ This is an appalling reality for thousands of Australians, and one that needs to be rectified urgently. This vast disparity of health outcomes between those that are homeless and those that are not comes down to a multitude of factors,

⁴ Hagar Cohen and Scott Mitchell, 'From sleeping rough to four-star hotels: How coronavirus is changing our approach to homelessness', ABC News, (2020), accessible at: <https://www.abc.net.au/news/2020-04-25/homeless-put-up-in-four-star-hotel-during-coronavirus/12176942>

⁵ Euan Black, 'One in five government-owned homes fail to meet minimum standards', The New Daily, (2019), accessible at: <https://thenewdaily.com.au/finance/property/2020/01/23/report-on-government-services/>

⁶ Gerry Georgatos, 'Australia's homeless situation — we need to do better', Independent Australia, (2020), accessible at: <https://independentaustralia.net/life/life-display/australias-homeless-situation-we-need-to-do-better,13877>

⁷ NSW Council of Social Service, 'NSW Government urged to back social and affordable housing infrastructure boom in response to COVID-19', (2020), accessible at: https://www.homelessnessnsw.org.au/sites/homelessnessnsw/files/2020-04/200424_Joint%20media%20release%20-%20Housing_.pdf?utm_source=newsletter_366&utm_medium=email&utm_campaign=ncoss-sector-e-news-30-april-2020

⁸ Family and Community Services, Housing NSW, 'Protocol for Homeless People in Public Places Guidelines for Implementation', (2013), accessible at: <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2568#tab-otherdocuments>

⁹ Council of Homeless Persons (2018); <https://chp.org.au/counting-homeless-deaths-remembering-thosewho-died-while-homeless/>

together referred to as the social determinants of health. Such considerations include: education and health literacy, employment opportunities, cultural or language barriers, socioeconomic status, and more, all of which contribute to the ability to afford a permanent and suitable roof over one's head and enough money to afford nutritious food, healthcare, utilities, and other bills.

As CHP highlights: "most vulnerable and disadvantaged groups in our community are more likely to have complex, compounding health needs but they face the biggest barriers to accessing treatment. The result is preventable presentations to hospital, which are significantly more expensive and a drain on resources. The relationship between healthcare and homelessness has created a reciprocating and multiplying cycle. Poor health conditions contribute to homelessness and homelessness further exacerbates ill health. Poor mental and physical health is both a cause and consequence of homelessness."¹⁰

*The Centre for Social Impact's report, *The State of Homelessness in Australia's Cities: A Health and Social Cost Too High*¹¹ explored the experiences of more than 8,000 people sleeping rough or in supported accommodation and other forms of homelessness, and found much higher rates of chronic health conditions among the homeless population rough sleeping or in supported accommodation compared to the general Australian population. Additionally, the report highlighted that homelessness is associated with higher rates of psychological distress, depression, post-traumatic stress disorder, and anxiety. Indeed, their research on youth homelessness across Australia revealed extremely high rates of attempted suicide and self-harm within that cohort.*

Positive Life coordinates a Housing Support Program, which supports PLHIV in NSW to access, achieve, and maintain stable accommodation, including those at risk of homelessness. One such client of the Housing Support Program has had the following experiences: Bob (not his real name) had been rough sleeping in Hyde Park in the Sydney CBD. Bob had tried residing in crisis accommodation refuges but states he found these environments quite challenging. Bob said he was given no choice but to sleep in his designated bed in a dormitory surrounded by other residents who were also managing their own mental health and substance dependence issues. He found the rules of these facilities quite punitive and preferred public places as this allowed him some freedom to choose where he slept for the night without having to conform to curfews etc.*

Prior to this, Bob was residing in subsidised housing via the Department of Communities and Justice's Private Rental Subsidy Scheme. However, when the landlord increased the rent quite substantially, Bob could no longer afford this accommodation and became homeless.

As well as living with HIV, Bob also lives with a diagnosis of Bipolar and depression. Each of these conditions requires daily medication and regular health appointments. Bob agrees that maintaining a daily medication regime is challenging when rough sleeping in public places. He states he has several "stash" of medications hidden around Hyde Park. He also concedes that these "stash" have been discovered by other people, which means his daily medication is gone. PLHIV like Bob, need to maintain a strict medication regime to maintain their health and especially, an undetectable viral load. An unstable living environment has a negative impact on PLHIV's adherence to medication and health outcomes.

Vital medical appointments are challenging for Bob to maintain whilst being a homeless person in a public place, as this living arrangement provides little room for structure. Without a fixed address, he

¹⁰ Council of Homeless Persons (2018); <https://chp.org.au/counting-homeless-deaths-remembering-thosewho-died-while-homeless/>

¹¹ Paul Flatau, Ami Seivwright, Chris Hartley, Catherine Bock, Zoe Callis, 'Homelessness and COVID-19 CSI Response', Centre for Social Impact, (2020), accessible at: https://www.csi.edu.au/media/uploads/csi-covid_factsheet_homelessness_statement2.pdf

relies completely on his mobile phone to manage his appointments. Bob's phone charge can quickly deplete, and then he is without access to electricity to re-charge the phone.

The same applies for Bob in receiving further offers of housing assistance via the Department of Communities and Justice. These offers can be missed if Bob is not contactable. In some cases, if no response is received, his file will be closed, and Bob will need to re-apply for social housing from scratch.

Factors affecting the incidence of homelessness, including housing-market factors

Homelessness in Australia has been influenced heavily by a number of supply and demand side governmental policies instituted over the last 30 years, which have had the effect of keeping lower income Australians locked in a cycle of poverty without opportunity to amass wealth in the same way as higher income Australians. Assuming that these impacts have been unintended by Australian governments thus far, now in light of COVID-19 and the health and economic implications of the pandemic, is an apt time for the current federal, state, and territory governments to implement a broad range of policy reforms to facilitate greater housing, health, and wealth equity amongst its population.

The Committee for Economic Development of Australia published a comprehensive report on Housing in Australia in August 2017,¹² from which the following outline of homelessness factors is resourced. Between 1970 and 2017, Australia's median real house price almost quadrupled while real wages only doubled. The result of this was a doubling of the Australia-wide dwelling price to income ratio to a present value of around six to seven. Growth rate trends have varied significantly between major cities, with the most considerable increases occurring from the mid-1990s to mid-2000s.

These significant price increases can be linked to two notable tax reforms that encouraged investment in rental properties in the 1980s and 1990s. In the mid-1980s, tax reforms exempted owner-occupied housing from the new capital gains tax and the assets test for the age pension, which advantaged investment in owner-occupied housing. In the mid-1990s, tax reforms instituted a discount on (realised) capital gains for investors but allowed the full cost of acquiring housing assets to be deducted against income from any source.

Additionally, demand pressures have larger impacts on price when supply is less responsive to changes in demand. Increasing income and wealth inequality has contributed to the upsurge in prices. Prices increase geographically according to where people with the greatest capacity to pay desire to live. Highly skilled workers are attracted to areas with good amenities and thriving labour markets and, to the extent that these are geographically constrained, this contributes to increases in real house prices.

One outcome of the real housing price trends is that, increasingly, many households have been unable to afford to buy a home. Despite generally declining interest rates from the mid-1980s, the borrowing capacity of middle- or lower-income households has not increased proportionate to the cost of a median priced dwelling. In the mid-1970s, the borrowing capacity for a household on a median income was adequate to fully cover the cost of purchase of a median priced dwelling. By 2016, a deposit gap of more than twice the median income had emerged for a median priced dwelling and up to four times more than the median income in Sydney and Melbourne. Demographic variances will be discussed in more detail in a later section, however it is worth noting here that home ownership rates for those aged 35 years and under declined from approximately 60% in the

¹² Committee for Economic Development of Australia, 'Housing Australia August 2017', (2017), accessible at: https://www.ceda.com.au/CEDA/media/General/Publication/PDFs/HousingAustraliaFinal_Flipsnack.pdf

1980s to 45% by 2016 and, over the same period, from 75% to 62% for those aged 35 to 44 years. This fall in home ownership has been most dramatic for lower income households where economic constraints dominate, where many lower income households simply cannot afford to buy a home anywhere.

For the purposes of the following submission, we will be defining affordable housing according to the FACS NSW definition as, housing that is appropriate for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care and education, and includes both ownership and rental. Social housing is one form of affordable housing, and includes public housing and housing owned and managed by not-for-profit community housing providers, who provide housing for people unable to enter the market as well as people with disability, alcohol and other drug (AOD) issues, mental and other health issues, and those escaping domestic violence, for example.

In addition to being increasingly poorly located in terms of accessibility to job rich areas, amenities and public transport options, the supply of affordable private rental housing available for lower income households has deteriorated steadily over the past 30 years with an estimated deficit of 300,000 rental dwellings in 2011 for households in the lowest income quintile, and over 100,000 for those in the second income quintile. People who rent on lower incomes are not able to simply reduce their housing costs by living in smaller or less well-located dwellings. There are simply not enough low-rental dwellings available to meet demand, and as a compounding factor there has been no real growth in social housing. This shortfall reflects the failure of the private rental market to generate an adequate supply of dwellings affordable for low income households, and a failure of the social rental stock to grow in line with need.

Furthermore, lower income households requiring affordable rental housing are forced to the outer regions of our cities or to non-metropolitan regions where jobs are scarcer and less highly paid. The result is either longer and costlier commutes into job rich areas (such as the CBD) or accepting lower paid or part-time work closer to where they can afford to live. These forced locational choices perpetuate their current income status, and further limits their capacity to save and accumulate any wealth due to high housing costs in relation to income. Additionally, rental tenancies provide little security of tenure with relatively short-term leases and termination clauses that tend to favour the landlord over the tenant.

Anglicare's annual Rental Affordability Snapshot released on 30 April 2020, showed that less than 2% of Australian rental dwellings were affordable for people on the JobSeeker Allowance, even with the Coronavirus supplement, considering 30% of income as the affordability benchmark. Households enter housing or rental stress when housing costs are more than 30% of their after-tax income, which corresponds with housing costs being prioritised over other essential items such as food and medication. The report highlighted that without the COVID-19 increase, just nine rentals out of 69,997 properties would be affordable for jobseekers. The snapshot found just 1% of rentals (743 out of 69,997) were affordable for people on the Age Pension, while 0.5% of rentals (326 out of 69,997) were affordable for a person on the Disability Support Pension (DSP).¹³

Long-term renting itself is a vicious cycle which prevents many low-to-medium income households from home ownership. As Michael West Media reports: "Despite those with mortgages paying more on average per month, renters are forced to pay a higher portion of their income to the landlord. On average, 20% of income is spent by renters on housing, compared to 16% for those with mortgages

¹³ Anglicare Australia, 'Rental Affordability Snapshot: National Report April 2020', (2020), accessible at: <https://www.anglicare.asn.au/docs/default-source/default-document-library/rental-affordability-snapshot-2020.pdf?sfvrsn=4>

and just 3% for those that own their home outright. When considering just low-income earners, these numbers jump to 32% and 29% for renters and mortgagors, respectively.”¹⁴ The ABS’s last wages figures relatively unaffected by Coronavirus impacts, highlight that even before the economic impacts of COVID-19, wages were struggling. The March quarter wage price index marked the fifth consecutive quarter where the annual growth trend of private sector wages fell –down from 2.3% in December to 2.2% in March, while overall wage growth was down to 2.1%.¹⁵ A long-term outcome of the above-mentioned trends is homelessness. Indeed, the proportion of homeless people aged 65 to 74 years increased 37.9% in the five years to 2016, which researchers have attributed to rental costs increasing much faster than incomes.¹⁶

The Australian Council of Social Service (ACOSS) and the University of New South Wales’s (UNSW) Poverty in Australia Report, released in February 2020, stated that more than one in eight people (13.6%) lived below the poverty line after housing costs were considered. These figures equate to approximately 3.2 million people, including more than 700,000 children, living on an average of 42% below the poverty line. The report attributes this high poverty rate to a combination of factors including the low rate of Newstart (now the JobSeeker Allowance), lack of jobs, and unaffordable housing. Additionally, it outlined a trend of the rates of poverty among retirees falling (where home ownership is still relatively high), whilst the rates of poverty among working-age Australians are increasing (accompanied by low rates of home ownership and high rental rates).¹⁷

The Melbourne Institute: Applied Economic and Social Research, publishes poverty lines for Australian households. In the March Quarter of 2019, the poverty line for a single person (not employed) was set at \$529.57 per week (including housing). This equates to an annual income of \$27,537.64 per annum, more than the \$24,268 per annum for an individual on the Australian Aged Pension. The Aged Pension is therefore a government payment whose threshold is below the poverty line and insufficient for Australians who rely on it as their sole income source which is the case for many older PLHIV. Australian research identifies that 35.3% of Australian PLHIV (2019) report their income source to be a Government benefit/pension/social security and 30.8% report their annual income to be less than \$30,000.¹⁸ While some of these PLHIV receive the Aged Pension, others receive the DSP, which has a similar payment schedule. When they reach age 65 years, those on the DSP will transition onto the Aged Pension.

The numbers of PLHIV who are reliant on a government benefit is not small or insignificant. There were 25,490 PLHIV (diagnosed) in Australia in 2018, and this number is estimated to increase to 31,170 by 2025 and 34,990 by 2030.¹⁹ This means there were 8,998 PLHIV in 2018 receiving a government benefit/pension/social security payment, and this number is estimated to rise to 11,003 by 2025 and 12,352 by 2030. In comparison, approximately 17.0% of Australians aged 18 to 64 years personally received income support payments from the Australian Government.²⁰ This shows that Australian PLHIV are much more reliant on government support payments than the general Australian community who enjoy higher employment rates. The large proportion of Australian PLHIV

¹⁴ Callum Foote, ‘Boomers & Millennials: young and poor miss out on Australian dream of owning a home’, Michael West Media, (2020), accessible at: <https://www.michaelwest.com.au/boomers-millennials-young-and-poor-miss-out-on-australian-dream-of-owning-a-home/>

¹⁵ Greg Jericho, ‘Coronavirus has destroyed wage rise predictions, but it has also given the government an easy excuse’, (2020), The Guardian, accessible at: <https://www.theguardian.com/business/grogonomics/2020/may/14/coronavirus-has-destroyed-wage-rise-predictions-but-it-has-also-given-the-government-an-easy-excuse>

¹⁶ Euan Black, ‘Report shines light on rising homelessness among older Australians’, The New Daily, (2019), accessible at: <https://thenewdaily.com.au/finance/property/2019/11/27/ahuri-older-homelessness/>

¹⁷ ACOSS and UNSW Sydney, ‘Poverty in Australia 2020’, (2020), accessible at: <http://povertyandinequality.acoss.org.au/poverty/>

¹⁸ HIV Futures 9. Quality of life among people living with HIV in Australia (2019), p15, accessible at: https://www.latrobe.edu.au/_data/assets/pdf_file/0007/1058614/HIV-Futures-9.pdf

¹⁹ Gray, R. 2019. Estimates from the current HIV cascade from each jurisdiction. Kirby Institute, University of NSW, Sydney Australia.

²⁰ HILDA Survey: Selected Findings, p49, accessible at: https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0011/3127664/HILDA-Statistical-Report-2019.pdf

receiving a government pension is primarily a legacy issue. PLHIV diagnosed prior to 1996 (when there was no effective treatment) went on to experience destruction of the immune system and the onset of opportunistic infections usually leading to death. Due to the impacts of ongoing poor health, many were forced to stop work and placed on the DSP. Even after the introduction of effective combination HIV treatment in 1996, some PLHIV remained too physically and mentally unwell to return to the workforce. The combination of multiple chronic health conditions in addition to HIV has left them physically and mentally frail and incapable of ever being employed again.

Indeed in 2019, only 50.6% of PLHIV were employed, 41.5% worked full-time (30+ hours per week, including those who were self-employed) and a further 9.1% worked part-time (less than 30 hours per week).²¹ Most of these working PLHIV were younger.²² The other half (50.6%) were either unemployed or retired and receiving a government benefit. By comparison in 2017 in the general Australian population, 81.9% of men and 71.4% of women were employed, with 68.1% of men and 39.2% of women employed full-time.²³ In addition, 13.7% of men (2017) and 32.1% of women were employed part-time.²⁴ The lower employment rates and the legacy of unemployment for PLHIV which have pushed many onto government support payments dangerously near the poverty line, have contributed to PLHIV having less opportunity to acquire wealth and housing security.

At Positive Life, we believe that the Australian government has a responsibility to support equity, fairness, and support for all Australians in need of assistance. The gap between living standards of Australians who are not on support allowances compared to those receiving support allowances, has grown steadily over the last few decades and continues to climb. The JobSeeker Allowance (without the temporary Coronavirus supplement) is currently \$282.85 for a single person each week, the equivalent of \$40.41 per day. These figures don't even come close to meeting basic living standards in today's Australian cost of living index including housing, utility bills, transport, medical expenses, food, and other necessary costs of daily life. Evidence shows that a person on Newstart lives on around 36% of the average Australian wage after tax, and a little more than half of what someone working full-time on a minimum wage earns.²⁵ This is unacceptable, and something that could be easily remedied by the Australian federal government. It is becoming increasingly apparent that the policy framework for the JobSeeker Allowance is not translating to effective outcomes and objectives for Australians who are most in need, and we perceive this to be a major design flaw.

Positive Life strongly believes that the very low rate of the JobSeeker Allowance makes it more difficult for people to live healthy, self-determined lives in line with reasonable Australian community expectations. Each day that the JobSeeker Allowance is not increased in real terms, is a literal step backwards in the Australian government's purported aims of providing a fair, safe, and equitable quality of life for all Australians. In September 2019, Positive Life joined dozens of organisations including ACOSS and Council on the Ageing (COTA Australia) in calling for Newstart payments to be increased by at least \$75 per week for a single person, and then adjusted to increase in line with the wage price index moving forward.²⁶ However, in light of the government's response to COVID-19 and the acknowledgement that a doubling of the JobSeeker Allowance was necessary for survival, we are now calling for the rate of the JobSeeker Allowance to remain at the current level of \$1,115.70 per

²¹ La Trobe University, Australian Research Centre in Sex, Health and Society, HIV Futures 9, (2019), p14, accessible at: https://www.latrobe.edu.au/_data/assets/pdf_file/0007/1058614/HIV-Futures-9.pdf

²² Ibid, p14

²³ HILDA Survey: Selected Findings, p57, accessible at:

https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0011/3127664/HILDA-Statistical-Report-2019.pdf

²⁴ Ibid

²⁵ Australian Council of Social Services, "Analysis of the impact of raising benefit rates", (2018), accessible at

<https://www.acoss.org.au/wp-content/uploads/2018/09/DAE-Analysis-of-the-impact-of-raising-benefit-rates-FINAL-4-September-...-1.pdf>

²⁶ Borys, S. (2019). Newstart allowance boost needed, COTA chief says, following tax cuts and deeming rate changes. ABC News, accessible at <https://www.abc.net.au/news/2019-07-15/renewed-calls-to-increase-newstart/11308340>

fortnight, with the Coronavirus supplement integrated in its entirety on a permanent basis, and to adjust bi-annually in line with the wage price index moving forward.

This is particularly important for those individuals who are part of marginalised or intersectionally oppressed populations within Australia, such as PLHIV, people who are at risk of or experience homelessness, Aboriginal and/or Torres Strait Islander people, people from culturally and linguistically diverse cultures, people who have diverse gender and sexuality expressions and identities, (LGBTQIA+), sex workers, people who have experienced sexual and/or domestic violence, and people who inject drugs, people living with a mental health condition, among others.

Three decades of inadequate investment in social housing resulted in a shortfall of 433,000 social housing dwellings in 2018, with the construction rate at the time of little more than 3,000 dwellings per year. This is not keeping pace with rising needs, let alone making inroads into the current backlog.²⁷ Australia's public construction of residential properties is at near record low levels, barely contributing to the total building of houses and apartments, at 1.4% in 2019. After the global financial crisis, public housing construction reached almost 6% of all residential construction, however that was still substantially below 1970s and 1980s levels, which reached close to 18% in 1975.²⁸ By comparison, the Australian Housing and Urban Research Institute (AHURI) reports that "housing providers with a social purpose [in 2018] account for 20-31% of all house building in the UK, Finland, France and Austria, and much more in some Asian countries such as Singapore. England's not-for-profit housing associations, for example, completed some 42,000 homes in 2017-18, out of 161,000 homes built in total.²⁹ The failure of successive governments to adequately fund social housing is well established. As The Conversation notes: "Australia's social housing system remains grossly underfunded. Currently available resources are inadequate even to properly maintain the existing portfolio, let alone to underpin the new supply needed to keep pace with the growing need ... the overall stock has been eaten away, through market sale of public housing, and run down, through skimping on repairs and maintenance."³⁰

Of the existing social housing stock, as the declining share of social housing within overall housing stock became "more tightly rationed to the lowest-income households...this eroded the system's rent base. At the same time, its ageing buildings and households with greater support needs increased its costs."³¹ As coverage of operating expenses declined, so did maintenance of the dwellings, and thus followed a decline in the number of habitable dwellings. Additionally, the private market sale of social housing has continued to decrease the availability of social housing, particularly when the dwellings are located in prime positions with high land values. An example of this occurred in March 2014, when New South Wales government minister Pru Goward announced that all of the 293 public housing dwellings in Millers Point, Dawes Point and The Rocks, as well as the 79 apartments in the Sirius Building built for public housing in the 1970s, were to be sold, with tenants to be moved.

However, these problems are not just due to an overall shortage of housing in Australia. Census data show the number of unoccupied dwellings increased during the same period that homelessness grew: unoccupied private dwellings in Australia grew from 523,981 in 2001; to 636,480 in 2006; to 934,471

²⁷ Julie Lawson, Hal Pawson, Laurence Troy, Ryan van den Nouwelant, Carrie Hamilton, 'Social housing as infrastructure: an investment pathway', Australian Housing and Urban Research Institute, (2018), accessible at: <https://www.ahuri.edu.au/research/final-reports/306>

²⁸ Greg Jericho, 'Rental affordability snapshot proves Australia's coronavirus welfare payments should stay', The Guardian, (2020), accessible at: <https://www.theguardian.com/business/grogonomics/2020/apr/30/rental-affordability-snapshot-proves-australias-coronavirus-welfare-payments-should-stay>

²⁹ Julie Lawson, Hal Pawson, Laurence Troy, Ryan van den Nouwelant, Carrie Hamilton, 'Social housing as infrastructure: an investment pathway', Australian Housing and Urban Research Institute, (2018), accessible at: <https://www.ahuri.edu.au/research/final-reports/306>

³⁰ Richard Tomlinson, 'Affordable housing, finger-pointing politics and possible policy solutions', The Conversation, (2017), accessible at <https://theconversation.com/affordable-housing-finger-pointing-politics-and-possible-policy-solutions-75703>

³¹ Ibid

in 2011; and to 1,039,874 in 2016. As *The Conversation* notes: “Rather than an absolute shortage of homes, our increasingly financialised property market has distorted access to decent accommodation. Housing is now treated as an asset instead of a basic right.”³²

Opportunities for early intervention and prevention of homelessness

Positive Life NSW calls on the federal government as well as state and territory governments to urgently implement a number of cross-sector reforms that will not only address the housing and homelessness crisis in Australia, but also the vast economic impacts of COVID-19 including job losses, by stimulating the building, maintenance and construction industries. The following outlines our recommendations for interventions and prevention initiatives to reduce homelessness in Australia:

Recommendation 1: Urgently fund and fast-track a social and affordable housing building boom:

- As a part of an economic stimulus recovery package, but one that is not time-limited to the direct aftermath of COVID-19, an initial minimum headline target of an Australia wide annual net increase of 20,000 affordable dwellings. This initial target needs to be gradually increased to 30,000 dwellings per year, with enforceable arrangements in place to ensure all dwellings are initially, and remain on a perpetual basis, affordable to low income households and are located in areas of high rental stress with adequate access to jobs, transport and appropriate services.³³
- In NSW in particular, we support the call from the NSW Council of Social Service (NCOSS), Homelessness NSW, and the Community Housing Industry Association NSW for the NSW state government to establish a Social and Affordable Housing Capital Fund to grow the supply of social housing by 5,000 premises per annum, and similar for affordable housing. This long-term capital investment should continue every year for at least the next ten years to address the historic under-investment and identified shortfall. The initial building works must start with options to permanently house those in extended temporary arrangements through:
 - The identification and purchase of vacant, or soon-to-be completed, developments for conversion to social or affordable housing; and
 - Identification of government owned properties for conversion to social housing.³⁴
- Additionally, we support Launch Housings’ proposal for state governments to fund a rapid spot-purchasing program, which would fund community housing agencies to enter the property market to buy up ‘distressed’ or cheap housing assets to let at below market rent to people who pay 30% of their income as a social rent. Through this and other social housing recommendations, taxpayers would get an enduring social benefit for years to come via community-owned property assets.³⁵
- Governments would fund this recommendation through direct public investment. The report by the AHURI recommends Australia avoids overly complex private financing ‘innovations’, which have proven ineffective elsewhere and were recently abolished by the UK Treasury. Their modelling of household need and procurement costs shows that direct public investment, compared with subsidising the operating income of a commercially financed program, results in a lifetime cost of the first year of house building to be \$1.6 billion less - a

³² Nicole Gurran, Peter Phibbs, Tess Lea, ‘Homelessness and overcrowding expose us all to coronavirus. Here’s what we can do to stop the spread’, *The Conversation*, (2020), accessible at: <https://theconversation.com/homelessness-and-overcrowding-expose-us-all-to-coronavirus-heres-what-we-can-do-to-stop-the-spread-134378>

³³ Committee for Economic Development of Australia, ‘Housing Australia August 2017’, (2017), accessible at: https://www.ceda.com.au/CEDA/media/General/Publication/PDFs/HousingAustraliaFinal_Flipsnack.pdf

³⁴ NSW Council of Social Service, ‘Cost of Living/COVID-19 Supplementary Paper’, (2020), accessible at: https://www.ncoss.org.au/sites/default/files/public/policy/23042020_CoLCOVID19_SupplementaryPaper%20ONLINE_0.pdf?utm_source=newsletter_366&utm_medium=email&utm_campaign=ncoss-sector-e-news-30-april-2020

³⁵ Ron Wakefield, ‘The need to house everyone has never been clearer. Here’s a 2-step strategy to get it done’, *The Conversation*, (2020), accessible at: <https://theconversation.com/the-need-to-house-everyone-has-never-been-clearer-heres-a-2-step-strategy-to-get-it-done-137069>

24% saving for governments and hence taxpayers. Governments must move away from 'financial innovation' options that push costs into the future in inflated rates.³⁶

- *Social and affordable housing initiatives must be supported by culturally appropriate housing design, Indigenous-led housing management, and culturally-specific adaptation of tenancy agreements.*

Recommendation 2: *Urgently fund and fast-track maintenance of existing social housing dwellings:*

- *The NSW Government's economic stimulus measures in response to COVID-19 have thus far included \$60 million to address the backlog of maintenance for ageing social housing stock. This funding only goes part way towards addressing the estimated \$500 million required to fund a comprehensive maintenance program for the NSW social housing portfolio. A similarly expansive maintenance fund needs to be established in all states and territories, using realistic cost data.*

Recommendation 3: *Apply a social procurement approach to construction and maintenance programs:*

- *Governments should stipulate through enforceable regulations that construction, trade, and other contractors involved in the construction and maintenance of social and affordable housing must source a required proportion of labour, goods and services from social enterprise, and/or provide employment for disadvantaged cohorts.³⁷*

Recommendation 4: *Legislate to ensure renting is a viable, long-term option with enhanced protections for those who rent:*

- *States and territories should ensure renters have legislative protection against unfair evictions by amending relevant legislation to include a list of reasonable grounds and protections against the false use of eviction grounds.*
- *Set minimum standards in rental housing for health, safety, and energy efficiency to protect against heat, cold and pollution, and reduce energy bills.³⁸*
- *Limit frequency of rent increases and ensure such increases are fair.*

Recommendation 5: *Legislate for inclusionary zoning:*

- *Governments should mandate targets for social and affordable housing in new residential developments of up to 15% on private land and 30% on government land.³⁹*
- *Inclusionary zoning is desirable and can serve lower income households, but will never be an alternative to the need for social housing and should not be used to the exclusion of social housing investment.*
- *Inclusionary zoning will lift land values as a result of public policy changes that allow for housing development or higher-density housing. Landowner profits will be limited by the mandate, however this is entirely reasonable and partially offset by increased land values, to achieve the important public policy outcome of housing affordability.⁴⁰*

³⁶ Julie Lawson, Hal Pawson, Laurence Troy, Ryan van den Nouwelant, Carrie Hamilton, 'Social housing as infrastructure: an investment pathway', Australian Housing and Urban Research Institute, (2018), accessible at: <https://www.ahuri.edu.au/research/final-reports/306>

³⁷ NSW Council of Social Service, 'Cost of Living/COVID-19 Supplementary Paper', (2020), accessible at: https://www.ncoss.org.au/sites/default/files/public/policy/23042020_CoLCOVID19_SupplementaryPaper%20ONLINE_0.pdf?utm_source=newsletter_366&utm_medium=email&utm_campaign=ncoss-sector-e-news-30-april-2020

³⁸ Ibid

³⁹ Ibid

⁴⁰ Richard Tomlinson, 'Affordable housing, finger-pointing politics and possible policy solutions', The Conversation, (2017), accessible at <https://theconversation.com/affordable-housing-finger-pointing-politics-and-possible-policy-solutions-75703>

- *Caveats must be enforced to ensure that this form of housing remains affordable in perpetuity, not just over the short- to medium-term. Affordable dwellings must be protected against profit taking in light of any future value uplift as land values increase.*⁴¹

Recommendation 6: *Reduce incentives for over-investment and speculative investment in housing:*

- *Remove the land tax exemption for the family home and move towards charging an annual land tax in place of transaction taxes on housing.*
- *Include some or all of the value of the family home in the assets test for the Age Pension.*
- *Remove the asymmetric treatment of unearned capital gains and interest deductions, and/or tax vacant homes, and/or tax a larger component of capital gains.*
- *As The Committee for Economic Development of Australia notes, “this recommendation is largely redistributive in its impact and has the capacity to raise considerable revenue to fund other policies. However, it is likely to require a considerable political and community leadership to overcome the perceived resistance to changes in the status quo. This can be made more difficult by the disproportionate economic (and lobbying) power held by those who are most likely to be negatively affected by the changes proposed.”*⁴²

Recommendation 7: *Increase the rate of the JobSeeker Allowance, the DSP, and the Age Pension:*

- *The rate of the JobSeeker Allowance must remain at the current level of \$1,115.70 per fortnight for a single person with no dependents, with the Coronavirus supplement integrated in its entirety on a permanent basis. The rate then must be adjusted bi-annually in line with the wage price index moving forward.*
- *In lieu of the above, the rate of the JobSeeker Allowance must be increased by an absolute minimum of \$75 per week for a single person with no dependents, and then adjusted bi-annually in line with the wage price index moving forward.*
- *The rate of the DSP and Age Pension must also be increased proportionate to the increase in the JobSeeker Allowance, and then adjusted bi-annually in line with the wage price index moving forward.*

Services to support people who are homeless or at risk of homelessness, including housing assistance, social housing, and specialist homelessness services

*Australia’s current social housing model “thus far majorly relies deplorably on the eviction of families from social housing. This horrid cycle contingent on evictions is also an indictment of our governments.”*⁴³ *The basic psychosocial support services that existed in the social housing support sector in the 1980s have been sequentially removed corresponding to reductions in funding to the sector, and Australia’s rates of homelessness are higher now than they have ever been. Increasing and maintaining the supply of social housing is the first step, which must be delivered concurrently to meet not only independent living but also supported living for people with complex needs. The “Housing First” model is one advocated by various housing groups, such as the Council to Homeless Persons, “which moves people with complex needs experiencing homelessness into permanent affordable housing with flexible and individual support for as long as needed.”*⁴⁴ *However, the first required step is to increase the supply of safe and affordable long-term housing by building more housing stock, particularly social housing, throughout Australia.*

⁴¹ Committee for Economic Development of Australia, ‘Housing Australia August 2017’, (2017), accessible at: https://www.ceda.com.au/CEDA/media/General/Publication/PDFs/HousingAustraliaFinal_Flipsnack.pdf

⁴² Ibid

⁴³ Gerry Georgatos, ‘Australia’s homeless situation — we need to do better’, Independent Australia, (2020), accessible at: <https://independentaustralia.net/life/life-display/australias-homeless-situation-we-need-to-do-better.13877>

⁴⁴ Maggie Coggan, ‘It’s a continuation of the Stolen Generation’: How the social housing system is failing vulnerable Aboriginal women and their kids’, Pro Bono Australia, (2020), accessible at: <https://probonoaustralia.com.au/news/2020/02/its-a-continuation-of-the-stolen-generation-how-the-social-housing-system-is-failing-vulnerable-aboriginal-women-and-their-kids/>

The Housing First model is backed up by a range of Australian and international evidence as the most effective way of achieving housing stability for people who have experienced chronic homelessness:

- *Melbourne: After two years, 70% of Street to Home program participants were in independent secure accommodation. After four years, 75% of Journey to Social Inclusion participants remained in stable housing;*
- *Brisbane: 92% of Street to Home participants had sustained housing for 12 months;*
- *New York: 75% of New York Pathways Program participants spent an average of four years stably housed, compared to 48% receiving a standard response;*
- *Canada: In a five-site study with over 2,000 participants, Housing First Program participants spent an average of 73% of their time in stable housing over 24 months compared to 32% in the control group; and*
- *Europe: Four Housing First projects in Europe achieved housing retention rates of between 80% to 90% (over varying time frames). The Finnish Housing First Approach was introduced in 2007, and Finland is the only country in Europe where homelessness has decreased in that timeframe.⁴⁵*

Recommendation 8: *The implementation of a program like Housing First throughout Australia needs to be tailored to specific regions and environments, and factor in the following key considerations:*

- *Identifying those people who are most at need within the targeted homeless population, and considering individual requirements such as medication adherence requirements of homeless people living with HIV;*
- *Service planning, integration and coordination between key health, aged care, homelessness, and disability services engaged in partnership;*
- *There must be a reintroduction and scaling up of psychosocial supports and services;*
- *There must be a focus on self-determining values, the up-skilling of residents once housed, and an increasing ability to manage their own affairs so they are free from disempowerment;*
- *The importance of peer-support roles in the development and delivery of programs, in addition to specialist positions provided through partnerships;*
- *Incorporating NDIS packages as appropriate; and*
- *System and process flexibility.*

Recommendation 9: *The existing specialist homelessness service system was already operating beyond capacity prior to COVID-19, with homelessness services turning away 254 people seeking assistance every day. Positive Life supports the Centre for Social Impact's proposals that action be taken to:*

- *Immediately increase funding and funding certainty (extending funding contracts to five year terms) to the specialist homelessness service system across all cohort groups and other related agencies (AOD services, mental health services, emergency relief, financial counselling, and cohort-specific services such as Positive Life's Housing Support Program for PLHIV) providing support to those at risk of and experiencing homelessness.*
- *Recognise the different needs of those experiencing homelessness in different settings and cohorts so specific programs and policies are developed for the youth homelessness sector, women's refuges and support services, and men's and women's supported accommodation.*

⁴⁵ Council to Homeless Persons, 'Housing First Permanent Supportive Housing: Ending Chronic Homelessness', (2018), accessible at: <https://chp.org.au/wp-content/uploads/2018/06/FINAL-180606-Housing-First-2018-6-June.pdf>

- Adequately fund women's refuges and domestic violence services to meet the additional demands they will face in coming months.⁴⁶

Recommendation 10: Positive Life supports the recommendations made by the Australian Alliance to End Homelessness to institute the following models of care to reduce the barriers to healthcare for people experiencing homelessness and improve outcomes at a reduced cost:

- Flexible service delivery and street outreach, allowing primary health care to be delivered in spaces where homeless people feel welcome, increasing engagement and improving outcomes, including fixed site, drop-in centres, accommodation services and street outreach.
- Medicare requirements prohibit practitioners from billing street outreach services. Enabling practitioners to bill these services through Medicare would significantly reduce the barriers for street present people in accessing primary health care and would remove an inequity that prevents people from accessing health care because they have no fixed address.
- Primary health services for people experiencing homelessness should not just address physical health issues but must also address mental health, AOD, and other complex care.⁴⁷

Considerations for people at particular risk of homelessness, including:

a. People living with HIV

For PLHIV in particular, comorbidity directly affects employment and consequently housing. Older PLHIV experience significant increased prevalence of comorbidity, when compared to people not living with HIV (i.e. the general Australian population). The Australian Positive and Peers Longevity Evaluation Study (APPLES) found that when compared to HIV-negative men of similar age, HIV-positive men aged 55 years and over reported an increased prevalence of morbidity including thrombosis, diabetes, heart disease, HIV-associated neuropathy, bone disease and non-AIDS related cancers.⁴⁸ They also experienced a significantly increased number of comorbidities. The health impacts of HIV and other chronic health conditions on continuous employment have disadvantaged Australian PLHIV in their ability to save for a deposit, secure a loan and meet mortgage repayments. Additionally, many PLHIV are single (44.7%)⁴⁹ and not benefiting from the advantages of dual incomes or having a partner who contributes to daily living expenses. By comparison, only 9.5% of the Australian community report being a single person.⁵⁰ Only 16.5% of Australian PLHIV own their own home and a further 17.0% are purchasing a property.⁵¹ 42.7% live in private rental properties and 16.5% live in public or community housing. Older PLHIV are more likely to be homeowners, with 46.5% aged 65 years and older reporting owning their own home. This is most likely due to inheritance of property from family (parents), previous partners who have died, and the purchasing of property prior to 1990 when property prices were more reasonable. A reduced proportion (18.1%) of PLHIV aged 50 to 64 years report owning their own home. A majority (90.7%) of PLHIV aged less than 35 years and 68.5% of those aged 35 to 49 years are renting in the private market. This proportion is only slightly less for PLHIV aged 50 to 64 years, with nearly two-thirds (63.6%) renting in the private and public sectors. It would be reasonable to assume that the vast majority of these

⁴⁶ Paul Flatau, Ami Seivwright, Chris Hartley, Catherine Bock, Zoe Callis, 'Homelessness and COVID-19 CSI Response', Centre for Social Impact, (2020), accessible at: https://www.csi.edu.au/media/uploads/csi-covid_factsheet_homelessness_statement2.pdf

⁴⁷ Australian Alliance to End Homelessness, 'Leaving No-one Behind: A National Policy for Health Equity, Housing and Homelessness', (2020), accessible at: https://aaeh.org.au/assets/docs/Publications/20200120-POLICY-PROPOSAL_Leaving-no-one-Behind.pdf

⁴⁸ Petoumenos, K, Huang, R, Hoy, J, Bloch, M, Templeton, DJ, Baker, D, et al. 2017. "Prevalence of self-reported comorbidities in HIV positive and HIV negative men who have sex with men over 55 years - The Australian Positive & Peers Longevity Evaluation Study (APPLES)"

⁴⁹ La Trobe University, Australian Research Centre in Sex, Health and Society, HIV Futures 9, (2019), p20, accessible at: https://www.latrobe.edu.au/_data/assets/pdf_file/0007/1058614/HIV-Futures-9.pdf

⁵⁰ HILDA Survey: Selected Findings, p7, accessible at: https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0011/3127664/HILDA-Statistical-Report-2019.pdf

⁵¹ La Trobe University, Australian Research Centre in Sex, Health and Society, HIV Futures 9, (2019), p22, accessible at: https://www.latrobe.edu.au/_data/assets/pdf_file/0007/1058614/HIV-Futures-9.pdf

middle aged PLHIV will never own their own home and will continue to rent for the remainder of their lives.

Positive Life has significant concerns for PLHIV who are renting in the private market. Not only will they not benefit from home ownership, but they will be unlikely to afford private rental properties when they retire. They will become reliant on public and community housing or become homeless. Given the current limited stocks of public housing in Australian capital cities and regional centres, we do not believe that the public and community housing sectors will be able to meet the increased demand from PLHIV when they retire. Much has been written about the impacts of homelessness on the health and wellbeing of PLHIV. Secure housing is a prerequisite to the effective clinical management of PLHIV. Without secure and appropriate housing, homeless PLHIV become non-adherent to HIV treatment, disengage from healthcare, and spiral down a path towards acquired immunodeficiency syndrome (AIDS) and/or other co-morbidities and death. Additionally, without adherence to HIV treatment, HIV can be transmissible.

b. Women and children affected by family and domestic violence

Aboriginal women are six times more likely than non-Aboriginal women to experience domestic violence, and 35 times more likely to be hospitalised because of violent assault. Family and domestic violence are a leading cause of homelessness, and these statistics put Aboriginal women at high risk of homelessness.⁵² Additionally, as Pro Bono Australia states, “according to university and state government supported studies, Aboriginal children are 10 times more likely to be removed from their families compared to non-Aboriginal children, and 88 per cent of Aboriginal children who are taken come from family violence situations”. These situations and the higher likelihood of homelessness resulting from family violence means that unstable housing often leads to Aboriginal children being taken away by Family Services at higher rates than non-Aboriginal children. Additionally, women on temporary visas experiencing violence and their children are particularly vulnerable. While national estimates of the size of this population are not available, a voluntary service snapshot in August 2018 found at least 387 women on temporary visas with more than 351 children or dependents experiencing violence accessing support services in Australia.⁵³ This is particularly apparent with women’s refuges, which are chronically underfunded, are only a short-term option of two to three weeks generally, and the longer-term accommodation options are not readily available, with a severe shortage of social housing available nationwide. This leads people to choose between short-term transient accommodation with the potential for their children to be taken away from them or returning to an abusive partner so they can have a roof over their heads. This is entirely unacceptable and unconscionable.

c. Indigenous Australians

A partnership between the University of Queensland and Anyinginyi Health Aboriginal Corporation, in the Northern Territory’s (NT) Tennant Creek and Barkly region, culminated in a report titled in Warumungu language as Piliyi Papulu Purrukaj-ji – ‘Good Housing to Prevent Sickness’. The report revealed a simple solution: new housing and budgets for repairs and maintenance can improve human health. Some key points to note from the report include:

- *Rates of crowded households are much higher in remote communities (34%) than in urban areas (8%). In the Barkly region, 500km north of Alice Springs, there were up to 22 residents in some three-bedroom houses.*

⁵² Council to Homeless Persons, ‘Housing First Permanent Supportive Housing: Ending Chronic Homelessness’, (2018), accessible at: <https://chp.org.au/wp-content/uploads/2018/06/FINAL-180606-Housing-First-2018-6-June.pdf>

⁵³ Paul Flatau, Ami Seivwright, Chris Hartley, Catherine Bock, Zoe Callis, ‘Homelessness and COVID-19 CSI Response’, Centre for Social Impact, (2020), accessible at: https://www.csi.edu.au/media/uploads/csi-covid_factsheet_homelessness_statement2.pdf

- *Many Indigenous Australians lease social housing because of barriers to individual land ownership in remote Australia. Repairs and maintenance are more expensive in remote areas and waiting periods are long.*
- *Crowded households place extra pressure on ‘health hardware’, the infrastructure that enables bathing or showering, washing clothing and other hygiene practices. A lack of health hardware increases the transmission risk of preventable, hygiene-related infectious diseases like COVID-19. Anyinginyi clinicians report skin infections are more common than in urban areas, respiratory infections affect whole families in crowded houses, and they see daily cases of eye infections. These infections can have long-term consequences. Repeated skin sores and throat infections from Group A streptococcal bacteria can contribute to chronic life-threatening conditions such as kidney disease and rheumatic heart disease (RHD). Indigenous NT residents have among the highest rates of RHD in the world, and Indigenous children in Central Australia have the highest rates of post-infection kidney disease.*
- *It is calculated about 5,500 new houses are required by 2028 to reduce the health impacts of crowding in remote communities.⁵⁴ Positive Life NSW reiterates the recommendations outlined earlier in this submission regarding increasing culturally appropriate and Indigenous-lead social and affordable housing.*

d. Children and young people

When considering how homelessness affects children and young people, it is widely acknowledged that the disparity between who owns a home and who does not is marked by a generational fault line. According to ABS 2020 statistics, fewer than half of those aged between 25 and 34 years own a home. If present conditions persist, almost half of retirees will remain renters in 40 years’ time. Additionally, the generational differences for those in the lowest wealth quintile is growing, with only 20% aged between 25 and 34 years owning their own home today compared to 60% in 1981.⁵⁵ Furthermore, the growing housing crisis as a result of COVID-19 will particularly impact young people, who have been identified as one of the groups most affected by job loss and were already experiencing greater barriers to secure, affordable rental housing and home ownership than previous generations. They will also experience education disruption due to COVID-19 and will carry the burden of the current economic crisis and be paying back the debt for many years to come.⁵⁶

As the ABC reported in 2018: “Intergenerational housing wealth inequality has persisted and widened over decades, a reflection of structural policy defects that have fuelled over-investment in housing assets and favoured existing property owners over aspiring home purchasers.”⁵⁷ These policies include a range of well-established measures, such as capital gains tax discounts, negative gearing for investors, the exemption of owner-occupied housing from land tax, and the exemption of the family home from means tests that determine eligibility to pensions and allowances. Positive Life asserts that these entrenched policy settings have long impacted on the housing prospects of young people, and that these impacts will not self-rectify. Australia requires urgent tax reform that addresses the inequalities deeply embedded within our tax system that has turned home ownership into a generational and class divide and restores the balance of opportunity for property ownership to young people, which will be outlined in recommendations in the governance section below.

⁵⁴ Nina Lansbury Hall, Andrew Redmond, Paul Memmott, Samuel Barnes, ‘Fix housing and you’ll reduce risks of coronavirus and other disease in remote Indigenous communities’, The Conversation, (2020), accessible at: <https://theconversation.com/fix-housing-and-youll-reduce-risks-of-coronavirus-and-other-disease-in-remote-indigenous-communities-136049>

⁵⁵ Callum Foote, ‘Boomers & Millennials: young and poor miss out on Australian dream of owning a home’, Michael West Media, (2020), accessible at: <https://www.michaelwest.com.au/boomers-millennials-young-and-poor-miss-out-on-australian-dream-of-owning-a-home/>

⁵⁶ NSW Council of Social Service, ‘NSW Government urged to back social and affordable housing infrastructure boom in response to COVID-19’, (2020), accessible at: https://www.homelessnessnsw.org.au/sites/homelessnessnsw/files/2020-04/200424_Joint%20media%20release%20-%20Housing_.pdf?utm_source=newsletter_366&utm_medium=email&utm_campaign=nccss-sector-e-news-30-april-2020

⁵⁷ Rachel Ong ViforJ, ‘Budget 2018 ignores millennials’ housing woes by propping up elderly homeowners’, ABC News, (2018), Accessible at: <https://www.abc.net.au/news/2018-05-10/budget-2018-housing-affordability-first-home-owners-millennials/9745672?nw=0>

e. *People aged 55 years or older*

According to data from the ABS Survey of Income and Housing, home-ownership rates among Australians aged between 55 and 64 years dropped from 86% to 81% between 2001 and 2016, indicating that not all older Australians are benefiting from the inequitable tax system in place. Outright home ownership is an established supporting pillar of Australian retirement incomes policies, as the outright owner does not have to meet rents, and thus has reduced need for a large income stream to pay for shelter. The AHURI reports that the combined impact of changes in tenure and demographics of older Australians is expected to increase the Commonwealth Rent Assistance (CRA) eligibility among seniors.⁵⁸ Demographic change alone is forecast to increase the number of CRA recipients and the real cost of providing CRA by approximately 35%. Including the projected increases in the private rental share of the housing stock, the number of CRA recipients is estimated to rise by 60%, from 414,000 to 664,000, between 2016 and 2031. The real cost to the federal budget per year of rent assistance payments to older Australians is forecast to increase from \$972 million in 2016 to \$1.55 billion in 2031. Additionally, if all else remains unchanged in the housing system and economy, seniors on social housing waitlists will increase by over 75% - more than twice the 35% increase in the population of seniors in the same timeframe. Furthermore, as the number of senior private rental and social housing tenants grows, governments will be required to reform tenancy regulations in ways that enable housing retrofits to meet mobility needs and allow for ageing in place, and rental insecurity could hinder planning for aged support services.

Governance and funding arrangements in relation to housing and homelessness, particularly as they relate to the responsibility of Local, State, Territory and Federal Governments

Associate Professor Cameron Parsell of the University of Queensland, whose primary area of research is poverty, homelessness, social services and charity aimed at addressing social disadvantage states: "It costs the state government more to keep a person chronically homeless than it costs to provide permanent supportive housing to end homelessness, our recent research shows. Over a 12-month period, people who were chronically homeless used state government funded services that cost approximately A\$48,217 each. Over another 12-month period in which they were tenants of permanent supportive housing, the same people used state government services that cost approximately A\$35,117. The annual average of A\$35,117 in services used by supportive housing tenants includes the A\$14,329 cost of providing the housing and support."⁵⁹ It is also important to note that these costs were drawn from an analysis of linked government data, not through surveys of service users' estimated costs. These data sets included service usage data from emergency department presentations, in-patients stays, mental health contact, ambulance use, court appearances, prison, probation, parole time, police arrests, victims of crime and police custody, and use of homeless accommodation services.

Additionally, Parsell's research provides evidence that not only does it cost governments less to end chronic homelessness than it does to perpetuate the ongoing cycle of homelessness, but that low level criminal behaviour and reliance on crisis health and temporary accommodation services declines. For example, sustaining housing, compared to being homeless for a year, was associated with a 52% reduction in criminal offending, a 54% reduction in being a victim of crime, and 40% reduced time spent in police custody. The use of short-term crisis accommodation reduced by 99%, and mental health service use declined by 65%.⁶⁰ If governments do not address the homelessness

⁵⁸ Rachel Ong, Gavin Wood, Melek Cigdem, Silvia Salazar, 'Mortgage stress and precarious home ownership: implications for older Australians', Australian Housing and Urban Research Institute, (2019), accessible at: <https://www.ahuri.edu.au/research/final-reports/319>

⁵⁹ Cameron Parsell, 'Supportive housing is cheaper than chronic homelessness', The Conversation, (2016), accessible at: <https://theconversation.com/supportive-housing-is-cheaper-than-chronic-homelessness-67539>

⁶⁰ Ibid

crisis occurring right now in Australia, taxpayers will end up paying for it multiple times over in terms of public health costs.

It is poignant to note here that it is not only supply-side factors and potential reforms, the remit of state and local governments that need to be addressed, but also fiscal policies under the remit of the federal government, which effectively subsidise home ownership and must be urgently and comprehensively reformed. Indeed, the imbalance of government investment between property investment and homelessness spending is stark: the amount of annual tax subsidies paid to property investors (\$11.8 billion) is more than double the amount governments spend on housing and homelessness (\$5 billion) annually.⁶¹ Recommendations relating to fiscal government policy were outlined in Recommendation 6, above.

Additional COVID-19 impacts and considerations:

The COVID-19 crisis has illuminated a number of inequities that pre-existed in our economy, and highlighted the intimate link between housing, health, and individual health on one another in society. While a number of federal and state-based initiatives that have been taken in response to COVID-19 are welcome, they are however limited in their scope and more needs to be done. For example, temporarily housing street-present homeless people in hotels and motels is a positive step, albeit a stop-gap measure. This response has urgently highlighted the need for more homes that are affordable to rent on moderate or limited income, as well as extensive complex care support particularly for people who have experienced long term homelessness. Additionally, the needs of certain vulnerable populations have been comprehensively neglected by all levels of government Australia-wide, including people on temporary visas, women and children experiencing domestic and family violence, people on the DSP or carers pension, and many casual workers.

*Governments must not ignore the fact that even before the COVID-19 crisis, inflated and unreasonable housing costs had already pushed millions of Australians into poverty. The Anglicare survey referenced earlier in this submission surveys properties available to rent on a certain date, and rates them as affordable and suitable for differing households, because importantly, rental price is not the only consideration. In 2020 the survey was undertaken on 21 March – just prior to the introduction of the temporary Coronavirus supplementary payment for benefits such as the JobSeeker Allowance (formerly Newstart). The timing has allowed for a comparative analysis of affordability before and after the changes. On 21 March there were 69,960 places for rent, with just **nine** of those suitable and affordable for an individual on the JobSeeker Allowance. But if the doubling of the payment via the Coronavirus supplement was treated as permanent, that increases to **1,040 rental properties**. For a couple on the JobSeeker Allowance with two children under ten years of age, the differential is from 589 under the old amount to 8,106 – an increase from 0.8% of all rental properties to 11.6%.⁶²*

This survey highlights just how unaffordable rental properties in Australia were, even before COVID-19 pushed millions more Australians into un- or under-employment. Too many people have been having to choose between a roof over their heads and buying enough food or medicines. The government's continued statements that the increase to the JobSeeker Allowance is temporary has highlighted a lack of understanding of the lived reality of their constituent's lives, and suggests that welfare payments such as the JobSeeker Allowance are deemed a punishment for unemployment rather than assistance for survival and a basic human right. Given that the federal government has

⁶¹ Euan Black, 'One in five government-owned homes fail to meet minimum standards', The New Daily, (2019), accessible at: <https://thenewdaily.com.au/finance/property/2020/01/23/report-on-government-services/>

⁶² Anglicare Australia, 'Rental Affordability Snapshot: National Report April 2020', (2020), accessible at: <https://www.anglicare.asn.au/docs/default-source/default-document-library/rental-affordability-snapshot-2020.pdf?sfvrsn=4>

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previously acknowledged that \$240 per week was not enough to live on considering the high cost of living in Australia, to roll back the increase to the Jobseeker Allowance would in itself be considered punitive.

Consideration must also be given to the experiences of COVID-19 causing existing economic inequalities to worsen. For example, long-term unemployment is associated with long-term damage to job prospects due to skills deterioration and a gap in employment history, and the combination of job losses, insecure work, ill-health, and insecure rental tenancy among others will result in a greater differential of wealth accumulation between those on lower incomes and those from more affluent backgrounds.⁶³

Summary:

Positive Life's assertions and recommendations throughout this submission can be summarised by a quote from the Committee for Economic Development of Australia, on constraining housing demand, calling for a: "shift away from the financialisation of housing and the role that it currently plays as a form of wealth accumulation and the reclamation of it as a social good and a basic human right. Until our politicians are willing to work together to generate community support for such a change, the complex set of issues that define housing Australia's affordability problems are likely to remain."⁶⁴

Australians and governments alike must come together to end the homelessness and housing financialisation crisis, because to remain on our current trajectory of housing inequity is an injustice. A robust and sustained political will on all levels be necessary to achieve equitable access to affordable and secure housing for all Australians, to ensure that all can live self-determined and empowered lives with dignity.

Positive Life would like to commend the House of Representatives Standing Committee on Social Policy and Legal Affairs for their dedicated and thorough research and consultation process with the aim of inquiring into and reporting on homelessness in Australia, to make the government and community response as strong as possible for all Australians including those of us living with HIV.

If this submission requires additional information or clarification, I can be contacted at

[redacted] or on [redacted]

Yours respectfully,

[redacted signature]

Jane Costello
Chief Executive Officer

11 June 2020

⁶³ Rachel Ong ViforJ, 'As coronavirus widens the renter-owner divide, housing policies will have to change', The Conversation, (2020), accessible at: <https://theconversation.com/as-coronavirus-widens-the-renter-owner-divide-housing-policies-will-have-to-change-135808>

⁶⁴ Committee for Economic Development of Australia, 'Housing Australia August 2017', (2017), accessible at: https://www.ceda.com.au/CEDA/media/General/Publication/PDFs/HousingAustraliaFinal_Flipsnack.pdf

PositiveLifeNSW

the voice of people with HIV since 1988

The National Association of People with HIV Australia supports the statements and recommendations provided to the House of Representatives Standing Committee on Social Policy and Legal Affairs in this Positive Life NSW submission.

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people with HIV australia