



Housing for the Aged Action Group

ABN: 80 348 538 001 Reg: A0017107L

**Postal address: 1st Floor, Ross House
247-251 Flinders Lane, Melbourne 3000**

Phone: 9654 7389 Fax: 9654 3407

Home at Last service: 1300 765 178

Email: haag@oldertenants.org.au

Website: www.oldertenants.org.au

Supplementary submission

Senate Economics Legislation Committee

Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017

Jeff Fiedler, National Development Worker

April Bragg, Co-Manager

Key points:

Housing for the Aged Action Group believes that the proposed Bill will create obstacles rather than solutions to effectively addressing housing affordability and ending homelessness in Australia.

The main concerns are:

- The proposed Bill risks politicising housing and homelessness agreements between the Commonwealth and States by disproportionately placing the authority to determine access to funds in the hands of the Commonwealth Government.
- The Bill proposes an onus on the States to develop housing and homelessness plans without any such requirement on the Federal Government to provide their own strategy or work towards a joint strategy with the States. The Explanatory Memorandum to the Bill refers to the Commonwealth's comprehensive plan to improve housing outcomes for all Australians'. HAAG is not aware of such a plan.
- The Bill provides for the Federal Government to reject a State's housing and homelessness strategy if it does not have a current and *credible* housing strategy in place. It is unreasonable for the Federal Government to assume sole responsibility for judging the credibility of such plans.
- HAAG supports the development of housing and homelessness strategies by all States but it is equally important that this be done in conjunction with the Federal Government in a national housing strategy and agreement. This would ensure that all levels of government are working together towards with a joint commitment addressing housing affordability and ending homelessness and applying all the policy levers in a comprehensive long term plan.
- If benchmarks are not met the Federal Government could withhold funding. This places unfair onus on the States as it does not recognise that housing and homelessness is a

national problem and could be caused by a failure of the Federal Government's lack of policy action. Therefore responsibility for addressing housing and homelessness is disproportionately in the hands of the States. Reforms that could be enacted by the Federal Government will not necessarily be factored into the decisions made about the availability of funding. Further, meeting performance targets may not be due to poor performance but worsening trends in housing affordability and access to affordable housing.

- Funding can be withheld if reporting requirements are not deemed by the Federal Government to provide more transparent and consistent data collection and reporting. Effective data collection and reporting is a national issue that requires co-operation of the Federal Government and the States and should be developed in a co-operative way without onerous responsibility falling to the States. It must remain a national approach if effective understanding of housing and homelessness trends are to be maintained.
- People facing homelessness will be the victims of the potential consequences of the Bill if funding is withheld. Therefore no agreements should be able to 'turn off the tap' and stop housing and homelessness service delivery.

Further, HAAG wishes to alert the Inquiry to specific factors affecting older people that need to be urgently addressed. Therefore, reforms are needed to ensure a new Commonwealth-States agreement effectively addressing housing and homelessness. These are:

- Development of a national housing strategy as a co-operative and comprehensive response to the increasing problem of housing affordability and homelessness in Australia.
- Development of an older persons housing strategy as a subset of the above that specifically addresses the problem of an ageing society, reducing levels of home ownership, 50% reduction in public housing expenditure since 1990 and the failure of the private rental market to enable older people to age-in-place.
- Such a strategy should once again invest in public housing as was normal government business until the mid-late 1980's.
- Homelessness services must develop a stronger focus on early intervention strategies to assist people at risk of homelessness before they reach a crisis point. For older people this means addressing the massive increase in older people struggling to survive in the private rental market. The private rental market fundamentally fails older people because it does not offer security of tenure, affordability, decent housing or adaptability as people age. Our recent research is showing a 50% increase in older people paying unaffordable rents in the private rental market. More assistance is required to this group before they are evicted and end up on the street, in hospital or prematurely entering residential aged care.
- Governments need to invest in specialist homelessness prevention services for older people. For example, NSW has 330 homelessness services but not one service for older people. In Victoria there are 516 homelessness services but only two for older people.
- HAAG's Home at Last service has proven the benefits of a specialist older persons service with an early intervention focus. Over 700 people have been housed into long term affordable housing in the first few years of the service with almost no recurrence of homelessness. KPMG analysis has shown significant economic benefits to this approach. Yet specialist services for older people are rare in Australia.