



Saint Benedicts Homeless Foundation Limited

ABN 92 616 590 884

Inquiry into Homelessness in Australia



The House of Representatives Standing Committee on Social Policy and Legal Affairs

Terms of Reference 10

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





Saint Benedicts Homeless Foundation Limited

The Foundation was established late 2016 to provide help and assistance for the rough sleeping homeless people within the Rockingham/Kwinana area of Western Australia.

Since that time Saint Benedicts has provided sleeping bags, tents, clothes, food, found accommodation and provided general advocacy.

The Foundation plans, at no cost to governments or local authorities, to build and operate a 50 bed Homeless Centre for Women in the Peel Region of Western Australia to provide for rough sleeping women and those suffering from domestic violence. It is hoped to be up and running during the first half of 2021.

Working with homeless people, seeking their input, discussions with homeless advocates and specialty service providers the Foundation has developed and will operate three programs:

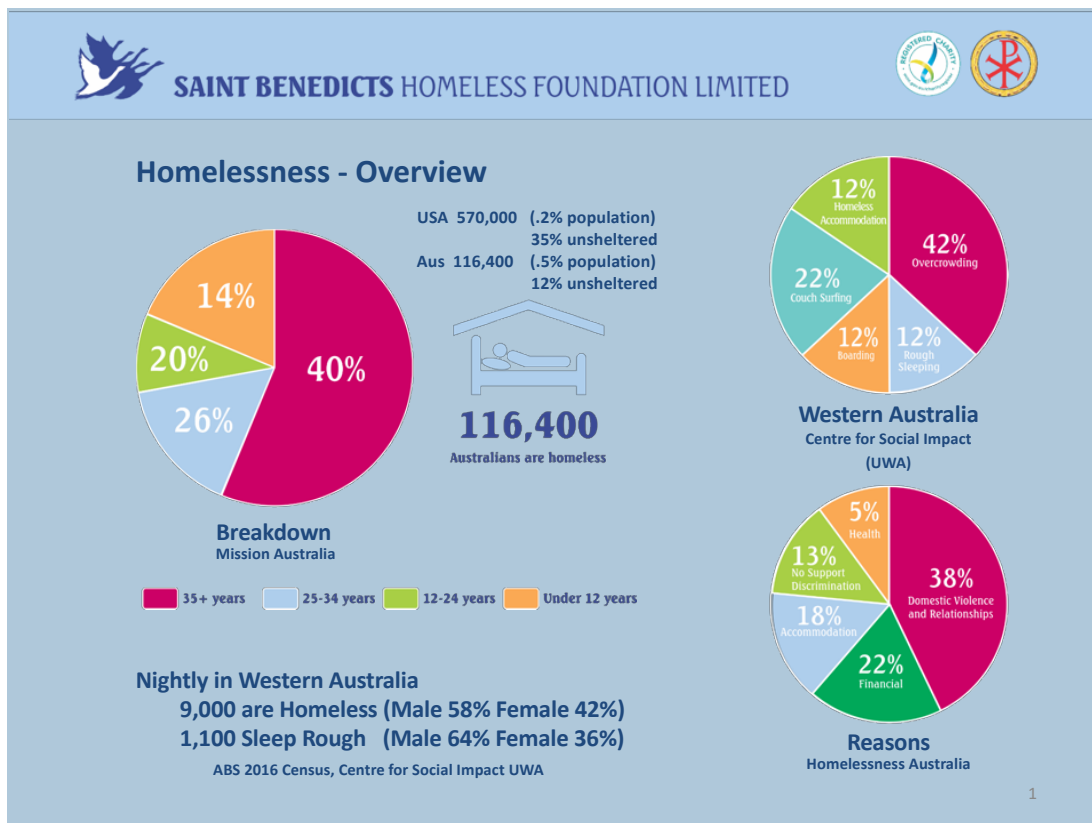
- **Homestart** Safe, secure accommodation with community meeting area and clinic
- **Helpstart** Case management, with service providers dealing directly with the homeless
- **Workstart** Mentoring, training, upskilling creating pathways into employment

The Foundation's website is : www.stbenedictsfoundation.org

Introduction

Homelessness is being addressed by all sides of politics, Not for Profit service providers and the wider community. This is positive as the problem will not be resolved by Governments alone.

In practical terms homelessness will never be totally eradicated, however noble that desire is. It can only be reduced, hopefully substantially, by all parts of society working cohesively together.



The ABS report 116,400 Australians were homeless in 2016



Cost of Homelessness

A study for the Victorian Government conducted by SGS Economics and Planning, released in March 2017, found: *“Governments will save money by spending on accommodation services”*.

The SGS report outlined the cost of homelessness has been calculated at \$25,615 per person per year covering health, crime and other factors. Getting people off the streets was calculated to have the following benefits per person:

• Health cost	\$8,429
• Reduced crime	\$6,182
• Individual costs	\$6,500
• Improved human capital	\$4,236
• Other	\$268
Total	\$25,615/year

Based on the Australian Bureau of Statistics 2016 Census figures there are some 13,968 in Australia sleeping rough each night costing \$357.8 million each year based on the SGS study.



The number of people sleeping rough in Melbourne is up 70% since 2014
(Source ABC News: James Hancock)

“There is much to gain in economic and social terms, both for government and society, by assisting the homeless. If you provide people with a roof over their head, we see savings in demand for health care especially emergency department admissions; reduced crime rate – people who are homeless especially sleeping rough are more involved in crime both as victims and perpetrators – and importantly also improved human capital. So people are better able, once they have a roof over their head, to re-engage with the workforce and education and contribute to society” SGS Principal and Partner Ellen Witte.

Addressing Homelessness

It was reported in the New York Times, the US Department of Housing and Urban Development indicated *“It would cost about \$20 billion for the government to effectively eliminate homelessness in the United States”*

With the reported 570,000 homeless people in the US this would equate to some US\$35,000/person.

In Australian terms this would be some AUD \$50,000/homeless person or totalling some \$6 billion.



Terms of Reference 10 - Submission

A precedent was set in the 1980's whereby private funding increased as a result of tax incentives for Australian made film and television productions. Division 10BA (1981) of the Income Tax Assessment Act 1936 allowed investors a 150% tax concession on their investment. By 1989, 10BA had become a flat 100% write-off.

The Foundation would endorse a 100% tax deduction regime over a 5 year period and then reducing back to the current levels over the following five years.

This tax regime could only be applicable to those companies or individuals who provided funds for Not for Profit organisations to build accommodation for homeless people.

An incentive such as the above would certainly go a long way to addressing building homeless housing without Government having to outlay monies. The Government's buy in would be forgoing tax receipts for the period of the incentive. The incentive would also provide a significant economic stimulus in the current climate.

Proposal:

The Federal Government should consider increasing the taxation concession for donations to ACNC registered and ATO endorsed Not for Profit homeless organisations, who will build homeless accommodation, from the current levels of 30% for companies and the 45% for individuals to become 100% for both categories for a period of 5 years after which the concession progressively reduce back to the existing taxation levels.



Private self-contained living units to be operated by Not for Profit Homeless Service Providers

Saint Benedicts Homeless Foundation
Rockingham, Western Australia
March 2020