



Brotherhood  
of St Laurence

Working for an Australia free of poverty

Submission to the  
Senate Economics Legislation Committee  
  
Inquiry into the  
Housing Australia Future Fund Bill 2023 [No. 2]  
(HAFF Bill No. 2) and related bills

Brotherhood of St Laurence

August 2023

## About the Brotherhood of St Laurence

The Brotherhood of St. Laurence (BSL) is a social justice organisation working to prevent and alleviate poverty across Australia. Our mission is to pursue lasting change, to create a more compassionate and just society where everyone can thrive. Our approach is informed directly by the people experiencing disadvantage and uses evidence drawn from our research, together with insights from our programs and services, to develop practical solutions that work.

The BSL has longstanding experience in housing and homelessness policy and program reform at both Commonwealth and state levels. This has been informed by our social policy work, research and service models designed to inform system change. Our current and recent initiatives to support people facing housing insecurity and homelessness include:

- work with the Tasmanian Government to inform and support systemic change to Tasmania's homelessness response through the Housing Connect Reform Project
- a program of innovation to inform a systemic change agenda for young people at risk of homelessness including development of and support for the Education First Youth Foyer model and Community of Practice
- tailored employment assistance and training programs for social housing residents including development and oversight of the state-funded Work and Learning Centres, support and ethical labour hire, adult community education and structured workplace learning (e.g. a dedicated traineeship program for public housing residents).
- provision of the Better Health and Housing Program (BHHP), in partnership with St Vincent's Health Aust and Launch Housing - a residential-based integrated health and homelessness service for people who are experiencing chronic homelessness and poor health. The provision of support coupled with stable housing aims to break the cycle of chronic homelessness and poor health for BHHP participants
- provision of the Critical Interim Support Program, which is an intensive case management support program targeting the most disadvantaged older people, including those experiencing homelessness
- affordable accommodation for older people at risk of homelessness and delivery of home support and aged care services to vulnerable older people
- partnering with SGS Economics, National Shelter and Beyond on the National Rental Affordability Index
- partnering with the Melbourne Disability Institute on research into affordable housing models for people with disability
- research and demonstration projects on energy affordability and energy efficiency measures for low-income households and renters
- former BSL Executive Director Tony Nicholson was appointed by Prime Minister Rudd to Chair the National Homelessness Strategy advisory group in 2008, developing the Green and White Papers on homelessness that became the 'Road Home' Strategy

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## Overview

The Brotherhood of St. Laurence (BSL) is pleased to make this submission in support of the Housing Australia Future Fund Bill (No.2) and related bills, noting that the low income and disadvantaged households we work with every day are in particular need of immediate assistance in the face of the current housing crisis in Australia.

BSL's support for this initiative is shaped by the following considerations:

- **Affordable housing is a human right.** As noted in Senator Pocock's dissenting report to the first report of this Committee (March 2023), adequate housing is a fundamental human right that Australia has recognised by signing up to the 1966 International Covenant on Economic, Social and Cultural Rights; and it is also an enabler of other fundamental human rights. Without secure, accessible and affordable housing, people cannot be expected to survive, let alone thrive.
- **Affordable housing drives social and economic inclusion, and growth and productivity.** Along with transport, telecommunications and IT infrastructure, investment in affordable housing is fundamental to nurturing family, achieving success in education, holding down work, being involved in community life, and general wellbeing. Housing in locations with access to jobs is also pivotal to productivity and economic growth. In addition, investment in affordable housing provides downstream savings in social services, justice and health.
- **Social housing supply is inadequate, and the HAFF will increase supply.** The shortage of affordable housing has been building over decades and is now threatening to force people of all ages and all housing tenures—home owners, renters and those already in unstable housing or homelessness—into serious economic and social insecurity. BSL supports the HAFF as a mechanism to ensure a reliable stream of funding for social housing.
- **Further housing initiatives are required.** Like many others, we recognise that the nation will require more than the proposed 20,000 new social housing dwellings over the first five years of the new Housing Australia Future Fund, along with 10,000 affordable homes for key workers. BSL also notes complementary measures are being progressed, including the National Housing and Homelessness Strategy currently under development.

However, BSL also considers additional reforms are required, including examination of tax and policy settings that impact housing affordability, extending the remit and representation of the National Housing Supply and Affordability Council, and providing adequate funding and infrastructure to provide integrated support services for households with high and complex needs.

## Increasing the supply of affordable housing is critical

Affordable housing is important and the supply is currently inadequate, but the HAFF will make a difference

Affordable housing supply is an integral component of Australian social and economic infrastructure: it directly impacts liveability and productivity. It is particularly important for those on low incomes, with the Productivity Commission's review of the National Housing and Homelessness Agreement (NHHA) noting:

Low-income households spend a higher proportion of their income on rent than the median renter ... [and] private renters who are unemployed, aged over 65 or sole parents tend to spend a larger proportion of their income on rent (Productivity Commission 2022).

The Rental Affordability Index 2022—produced by National Shelter, SGS Economics, Beyond Bank and the Brotherhood of St. Laurence - notes that renters paying more than 30% of their income are widely accepted to be in housing stress, and that 58% of those renting in the private rental market are experiencing this (SGS Economics and Planning 2022, p. 50). Nationally, the proportion of households renting continues to rise, having already increased from 26% in 1995 to 31% in 2020. During this same period, within this increased rental population, the proportion of public housing tenants almost halved, from 5.5% to 2.9%. Housing costs for renting households have also increased over the same period, relative to homeowners (SGS Economics and Planning 2022, p. 50).

Anglicare Australia's 2022 Rental Affordability Snapshot showed that of nearly 46,000 rental listings nationally, only 8 properties were affordable for a single person on JobSeeker Payment and only 1 was affordable for a young person on Youth Allowance—and that was in a shared house (Anglicare Australia 2022, p. 9).

Analysis of 2021 Census data by the University of New South Wales' City Futures Research Centre found that around 640,000 households were not having their housing needs met (that is, were either currently homeless, living in overcrowded dwellings or paying more than 30% of income on rent). This number this was likely to increase to more than 940,000 households by 2041 (City Futures – CHIA Housing Need National Snapshot 2022).

Until there is substantial new investment in social and affordable housing, these alarming statistics will only worsen. Therefore, BSL welcomes the Housing Australia Future Fund as a means of starting to address the critical shortage of affordable housing.

### Some specific amendments to improve the HAFF No. 2 bill

We believe that the following would improve the current HAFF No. 2 Bill:

- **extending the remit of the National Housing Supply and Affordability Council** to allow it to advise government on broader housing insecurity matters, including how increased supply of social housing would address the current situation

- **ensuring that the National Housing Supply and Affordability Council has direct representation** from affected communities, including from Aboriginal and Torres Strait Islander communities, and from the disability community, and that mechanisms are established to gain the views of people with lived experience of housing stress and instability
- **adding a clause to the Housing Australia Future Fund Bill** to ensure that the Fund is used exclusively for housing and that any surplus generated is reinvested into the HAFF
- **providing adequate funds for an ongoing high quality research program** to inform decisions of the National Housing Supply and Affordability Council, as well as other housing-related policies and programs.

## Opportunities to supplement the HAFF

The HAFF is important, but more is needed—including longer term policy reform, investment, research and service coordination

BSL considers that in addition to passing the HAFF (No.2) and related bills the Parliament should address the need for long term structural reform, investment in housing affordability and supply through complementary measures, including:

- **initiating a broader review of tax settings and housing expenditure**, including negative gearing and capital gains tax discounts. This would help to inform the community about the way these measures impact and distort the Australian housing market and be an important step towards building greater consensus for future reform.
- **supplementing these additional housing supply measures with appropriate design controls and adequate funding for community infrastructure** - to provide integrated support services for households with high and complex needs. The aim should be to ensure that they remain successfully housed and supported within the local community (rather than facing eviction and being forced to recycle through the crisis accommodation and homelessness service systems).

The Brotherhood of St. Laurence supports the package of Bills and welcomes the opportunity to work in partnership with the government and other agencies to support the success of these legislated measures, and looks forward to further engagement in the development of the new National Housing and Homelessness Plan.

## References

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