

Government response to the Senate Community Affairs References Committee Report on Housing Assistance

Recommendation 1 :

The committee recommends that the Commonwealth government continue to support the expansion of research and data collection in all areas of housing, particularly those relating to the private rental market.

In particular, the committee recommends that additional funds be allocated to develop consistency, uniformity, standards (including a definition of 'housing need') and benchmarks for analysis and evaluation purposes in all areas of research concerning public housing.

Response :

The Government notes the committee's recommendation. The Commonwealth provides a significant level of funding for housing research, including:

- 100,000 per annum under the Australian Housing Research Fund;
- 320,000 per annum to the Australian Housing and Urban Research Institute; and
- 3.3m in 1997-98 and \$1.7m in 1998-99 under the National Housing Priorities Appropriation.

The Commonwealth has worked to improve the availability of housing related data. There now exists a range of important measures of the effectiveness of housing assistance. For example, the CSHA has in place a range of performance indicators covering program outcomes and efficiency measures and this information is published in the Report on Government Service Provision.

Moreover, the previous and forthcoming ABS Housing Surveys will continue to yield important data on the public and private rental tenures, including levels of crowding, dwelling condition, and other satisfaction measures. The data available to DSS on the income support population is comprehensive and includes housing affordability outcomes of people on income support.

In relation to housing for indigenous peoples, the Commonwealth (ATSIC) provides funds to the Centre for Appropriate Technology for research into housing and housing related infrastructure for rural and remote communities.

In conjunction with States and Territories, the Commonwealth is in the process of updating the national data on indigenous housing and infrastructure needs previously collected under the ATSIC Housing and Community Infrastructure Needs Survey (1992). An analysis of the 1996 ABS Census data is also being undertaken to identify the housing needs of indigenous peoples throughout Australia.

Recommendation 2 :

The committee recommends that the Commonwealth and the States negotiate to reach agreement on affordability and adequacy benchmarks to be used in setting the common goals to be reached under the Commonwealth State Housing Agreement.

Response :

The Government notes the committee's recommendation. At the meeting of Housing Ministers held in June 1997, State and Territory Housing Ministers agreed to examine their pricing policies. Most States and Territories are treating as a priority the redevelopment and upgrade of housing stock which is no longer appropriate or of an acceptable community standard. The committee's recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 3 :

The committee recommends that the provision of public and community housing remain a joint Commonwealth State responsibility.

Response :

The Government notes the committee's recommendation. The future of Commonwealth and State roles and responsibilities in public and community housing assistance will be the subject of negotiation on arrangements to follow the expiry of the current CSHA in 1999.

Recommendation 4 :

The committee recommends that maximum rent levels and the rebated rent scales for public housing be included in future Commonwealth State Housing Agreements.

Response :

The Government notes the committee's recommendation. The recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 5 :

The committee recommends that on its expiration on 30 June 1999, the 1996 Commonwealth State Housing Agreement be replaced by a new Agreement which retains the specification of performance and the strategic planning processes which are in the existing Agreement measures and addresses the issue of State accountability.

Response :

The Government notes the committee's recommendation. The issue of performance information and strategic planning processes will be the subject of negotiation between the Commonwealth and the States on arrangements to follow the expiry of the CSHA in 1999.

Recommendation 6 :

The committee recommends that the Commonwealth provide capital funding for public housing at levels sufficient to ensure that the public housing stock is at least 6 per cent of total housing stock.

Response :

The Government notes the committee's recommendation. Public housing stock levels and associated funding will be the subject of negotiation between the Commonwealth and the States on arrangements to follow the expiry of the CSHA in 1999.

Recommendation 7 :

The committee recommends that the Department of Social Security investigate ways of reducing disincentives to work inherent in the current system of housing assistance payments.

Response :

The Government supports the committee's recommendation. The subject of the interaction of public housing rental subsidy systems and social security income testing arrangements and effects on workforce incentives will be considered further by the Department of Social Security. The committee's recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 8 :

The committee recommends that the Commonwealth negotiate with the States for security of tenure for public tenants to be included in the negotiations for the next CSHA

Response :

The Government notes the committee's recommendation. While it is clear that security of tenure can be important for some groups, such as the aged and those with long term needs, this must be weighed against the ongoing capacity to provide public housing for those who most need it, and the need to provide appropriate workforce incentives to those who are able to work.

Recommendation 9 :

The committee recommends that the States and Territories continue to address the issue of redevelopment and improvement of public housing estates as a matter of priority.

Response :

The Government notes the committee's recommendation. The Commonwealth supports State and Territory efforts to redevelop public housing estates within the CSHA strategic planning process. The Commonwealth also recognises that the improved targeting of public housing may require a different approach to tenancy and property management.

Recommendation 10 :

The committee recommends that the Commonwealth reviews its 1997 Budget decision to reduce rent assistance for people in share households.

Response :

The Government notes the committee's recommendation. The 1996 Budget initiative to reduce the maximum rate of Rent Assistance for some single sharers has improved the equity of treatment of singles sharing accommodation and couples. The Rent Assistance program, including the sharers initiative, will continue to be monitored and assessed by the Department of Social Security. In recognition of the special circumstances faced by some sharers, the government announced in the 1998 Budget its decision to exempt people living in boarding houses, private hotels and hostels from the reduced rate of Rent Assistance.

Recommendation 11 :

The committee recommends that the Commonwealth consider the possibility of using a region based formula for Rent Assistance payments.

Response

The Government notes the committee's recommendation. The Rent Assistance program, including the issue of a region-based formula, will continue to be monitored and assessed by the Department of Social Security.

Recommendation 12 :

The committee recommends that the Department of Social Security investigate ways of improving affordability for low income renters in private rental.

Response :

The Government notes the committee's recommendation. Expenditure on Rent Assistance has increased significantly in recent years, and as noted by the committee, there has been a commensurate improvement in the affordability outcomes for many private renters. The Government will continue to seek to provide an appropriate level of assistance to those most in need. However, proposals to provide additional assistance to private renters must be considered in the context of competing Budget priorities.

Recommendation 13 :

The committee recommends:

- (i) that the Department of Social Security make use of the Internet and other on-line services to ensure that tenants and community groups are better informed about tenants' rights.
- (ii) that State and Territory governments provide better support for tenancy services, especially in rural areas.

Response

Residential tenancy law falls within the legal jurisdiction of State and Territory governments. Similarly, the provision of advocacy and information services in relation to tenancy law is the responsibility of the States and Territories. The recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 14 :

The committee recommends that, as part of the COAG process, the Commonwealth negotiate agreed standards of consumer protection for tenants with the States with the objective of having adequate legislation in each State.

Response :

The committee's recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 15 :

The committee recommends that the States and Territories consider introducing regulatory measures in relation to bad tenants databases to protect the privacy rights of tenants and that any extension of the Commonwealth to the private sector should contemplate including the above circumstances.

Response :

The Government notes the committee's recommendation. The Government does not consider that a patchwork of privacy regimes serves the interests of either consumers or business. In April 1997 the Prime Minister announced that the services of the Privacy Commissioner would be available to assist business to develop privacy codes and meet privacy standards. On 20 February 1998 the Privacy Commissioner issued her "National Principles for the Fair Handling of Personal Information". These principles, developed specifically for the private sector by the Privacy Commissioner through consultation with a wide range of stakeholders, provide a benchmark for all businesses which handle personal information. As such, they form the basis for the development of a coherent national self-regulatory approach to privacy protection.

Recommendation 16 :

The committee recommends that the Commonwealth investigate the reasons why participants in ATSI's Community Development Employment Scheme (CDEP) program are not eligible for Rent Assistance and whether the current rules should be amended to make them eligible.

Response :

The Government supports the committee's recommendation. Following the completion of the Spicer review, the Independent Review of the Community Development Employment Projects (CDEP) Scheme (December 1997), the Government has decided to allow participants in the CDEP Scheme access to certain 'add-on' Social Security benefits, including Rent Assistance. These changes will take effect from March.

Recommendation 17 :

The committee recommends that the Commonwealth, States and Territories continue efforts towards coordination of services between all levels of government to facilitate access by indigenous peoples to both mainstream and specific programs that are designed to alleviate their housing problems.

Response :

The Government supports the committee's recommendation. The Commonwealth and State and Territory Housing Ministers held a special indigenous housing meeting in April 1997. The Ministers made a commitment at this meeting to an agenda of work that would result in better coordination and more effective provision of both targeted and mainstream housing services for indigenous people.

The Northern Territory and Western Australian governments have entered into agreements with the Commonwealth which commit the parties to coordinated and cooperative planning and reporting on the provision of indigenous housing. Discussions on models for the provision of indigenous housing in other States and Territories are continuing.

Recommendation 18 :

The committee recommends that the Commonwealth, States and Territories continue efforts towards:

- regular reviews of the areas of greatest housing need for indigenous peoples;
- better coordination of services between all levels of government to facilitate access to existing programs at Commonwealth and State level; and
- regular assessments of whether additional funding is needed and in what areas.

Response :

The Government supports the committee's recommendation. Through the indigenous housing reform agenda agreed by Housing Ministers in April 1997, the Commonwealth and States have made a commitment to ensuring that funding for indigenous housing is allocated on the basis of greatest need and in a way that will respond most effectively to the backlog of need in indigenous housing.

The Commonwealth recognises the importance of an accurate and updated national data base on indigenous housing, and in conjunction with States and Territories is working towards implementing further data collection and benchmarking to monitor changes in indigenous housing and progress against identified performance criteria.

Recommendation 19 :

The committee recommends that the Commonwealth ensure that the State and Territory governments provide sufficient public housing stock which is appropriately designed and well located near specialised health and other services to meet the needs of people with special needs who need to access such services.

Response :

The Government notes the committee's recommendation. Reprofiting of public housing to meet current needs is a major challenge that cannot be achieved at once. The committee's recommendation will be drawn to the attention of State and Territory Governments and Housing Authorities.

Recommendation 20 :

The committee recommends better coordination between the Supported Accommodation Assistance Program (SAAP) and other community services to assist SAAP clients to move from short-term accommodation into long term accommodation either in public housing or the lower end of the private rental market.

Response :

The Government notes the committee's recommendation. As stated in the SAAP National Strategic Plan, the need for improved access to key programs such as housing, income support, health services, labour market participation and life skills training continues to be a priority and a challenge for the Program. The imperative for other key program areas to acknowledge and respond to the special issues associated with homelessness and marginalisation is a difficult but critical area to address. Understanding access issues, targeting key programs and ensuring improved linkages at policy, program and service delivery levels will receive further attention in 1997-98. It is acknowledged that this is intrinsically linked to improved outcomes for people using SAAP services.

Recommendation 21 :

The committee recommends that in negotiating the next CSHA, the Commonwealth continue funding for national community housing organisations which provide support for the development of community housing.

Response :

The Government notes the committee's recommendation. The development of community housing is a current priority for Commonwealth, State and Territory Housing Ministers. The current focus on the development of community housing infrastructure aims to promote the future viability of community housing.

Recommendation 22 :

The committee recommends that in negotiating the next CSHA, the Commonwealth examine methods of providing funding guarantees of more than three years to the States and Territories in order to facilitate private sector involvement in the provision of low cost housing.

Response :

The Government supports the committee's recommendation in principle. Options to facilitate private sector involvement are being considered, including discussions with the finance industry on how to maximise the potential for private sector investment in community housing.

Recommendation 23:

The committee recommends that the Commonwealth and the States:

- explore different community housing models to suit the needs of different groups;
- explore ways of raising private finance for low cost and community housing;
- increase the size of the community housing sector; and
- develop model head leases for community housing organisations which are applicable to their relationships with the various State and Territory housing authorities.

Response :

The Government supports the committee's recommendation. A priority of current CSHA strategic planning with States and Territories is the development of a strong, viable community housing sector.

With regard to indigenous communities, the community housing sector plays a major role in providing housing. The Commonwealth and States are working to improve the effectiveness and sustainability of community housing for indigenous people, particularly in rural and remote areas

Recommendation 24 :

The committee recommends that the Commonwealth commission a study into the factors that constitute a barrier to private investment into low cost housing. Such a study should have regard to overseas developments referred to in the earlier discussion.

Response :

The Government supports the committee's recommendation. Part of the Housing Reform Funding for 1997-98 has been allocated for two major research projects. The first, Financing Arrangements for Social Housing in England, the Netherlands, Denmark and Germany has been finalised. The second, Financing Community Housing: Options for Private Sector Involvement reviews existing research.

Minority Report by Australian Democrat Senator Lyn Allison

Recommendation 1 :

The Democrats recommend that a housing task force be established to assist with the development of a National Housing Strategy and that local government has a role in both its policy development and implementation.

Response :

The Government does not support this recommendation. The Government does not believe that a housing taskforce is necessary at this time. The Government welcomes the efforts and involvement of local government in the provision of housing assistance.

Recommendation 2 :

That the Commonwealth resume funding arrangements for National Shelter, Australia's peak housing organisation, and encourage the participation of other national peak organisations representing a variety of interests into the planning of national housing policy.

Response :

The decision on National Shelter's funding was made to avoid duplication of Government funding in the area of housing assistance advocacy. For some years, National Shelter's grant conditions have included the requirement for them to plan for financial self-sufficiency. National Shelter has since secured non-Government funding.

Recommendation 3 :

That the allocation of funding for the SAAP program be increased by 10% to make up for the current shortfall in crisis accommodation and a specific strategy to reduce homelessness be incorporated into the National Housing Strategy.

Response :

The Government notes Senator Allison's recommendation. The issue of funding for SAAP, and for the Crisis Accommodation Program (CAP) which provides the funding for accommodation for people who are homeless or in crisis, will be considered in the context of:

- the negotiation of the next Commonwealth State Housing Agreement, to be implemented from July 1999; and
- the national evaluation of SAAP being conducted later in 1998, which may affect future program delivery arrangements (the current bilateral SAAP agreements expire in December 1999).