

# A FAIRER AUSTRALIA 2022 ELECTION STATEMENT

## POLICY PAPER HOUSING AND HOMELESSNESS



Frederic Ozanam (1813-53), founder of St Vincent de Paul Society



St Vincent de Paul Society  
NATIONAL COUNCIL of AUSTRALIA Inc. *good works*



*St Vincent de Paul Society National Council of Australia acknowledges the traditional custodians of country throughout Australia; recognises their continuing connection to land, waters and culture and community; and pays its respect to elders past and present and emerging.*

March 2022

St Vincent de Paul Society National Council of Australia Inc.  
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## Foreword

On any given night, 115,000 Australians, including many children, are homeless. Sleeping rough, vulnerable to harm. Proper housing is a fundamental human right.

As our Founder Frederic Ozanam said, "Our duty to ourselves as Christians is to make equality as operative as is possible among people."

Secure housing reduces poverty and improves outcomes in the areas of health, education and employment, economic and social participation, and social mobility.

Investing in housing also makes sound economic sense – building 25,000 social housing units each year would not only address the housing shortfall, it would also generate economic output of \$12.7 billion and create 15,700 jobs.

Our policies for this election provide a focus for the future actions of the Australian Government.

*Claire Victory, National President, St Vincent de Paul Society.*

*Housing is much more than just a place to live. There is an emotional and psychological symbolism around the meaning of home which conceives of the dwelling not only as shelter and accommodation, not only as a financial asset conferring benefits over the life course in the case of private ownership, but as the expected place of security and stability, in which personal identities can be forged and the caring responsibilities of family life properly fulfilled.<sup>1</sup>*

## What the Society does

The St Vincent de Paul Society of Australia (the Society) is a lay Catholic charity that comprises over 60,000 members and volunteers and over 3,000 employees who help and support Australians in need. The Society has been active in Australia for almost 170 years and the assistance provided includes responding to housing needs.

The Society's profile of housing services varies across the states and territories because it has developed over time as opportunities have arisen and in response to local needs. The housing assistance offered by the Society includes short-term crisis accommodation, transitional housing, medium to longer-term community housing, accessible housing for people living with disabilities and specialist homelessness services. Dwellings range from single bedrooms with shared facilities to four-bedroom homes.

When responding to a person's housing needs, the Society's preference is to use a case managed, client-centred approach to addressing their needs, usually by either providing or referring people to health, legal and other social support services. Community based programs are also conducted to share information and build people's confidence, independence, social networks and self-esteem.

This paper summarises the Society's policy position on housing and homelessness and reflects the Society's most recent concerns and recommendations made in submissions to the Parliamentary Inquiry into Homelessness (Sub No 142) and Housing Affordability (Sub No 111).<sup>2</sup>

## The housing problem

The Society has long been concerned about the housing crisis facing many Australians, particularly for those on low to middle incomes and most especially for those who are at risk of homelessness.

In 2016, the Society's National Council Social Justice Committee developed the [Ache for Home](#) report which called on bipartisan support for the development of a national housing plan, establishment of a \$10 billion social and affordable housing fund, recognition of the human right to housing and the setting of targets to halve homelessness and the housing shortfall by 2025.

In the seven years since the *Ache for Home* report was written, little progress has been made.

This lack of progress is not because Australia has faced dire economic circumstances. In fact, Australia is the only OECD country that has experienced 27 years of uninterrupted economic growth.<sup>3</sup> But while living standards for the average Australian have improved significantly, rates of public housing construction have fallen from above 10,000 per year over the late 1980s and early 1990s to just over 2,000 in 2020.<sup>4</sup>

Social housing per head of population has shrunk from six per cent in 1994 to four per cent today,<sup>5</sup> while home ownership has remained static at 70 per cent and the private rental market has increased to around 30 per cent of households.<sup>6</sup>

The supply of social housing has clearly not kept pace with rising demand, with population growth outstripping supply at more than two to three times the level of social housing expansion in the last 20 years.<sup>7</sup>

## Why we need to act now

Almost 150,000 Australian households are on wait lists for social housing.<sup>8</sup> These lists continue to grow each day.

Affordable private rental properties in metropolitan and regional centres are unattainable as rents skyrocket. In September 2021, rents increased by 7.5 per cent across capital cities and 12.5 per cent in regional areas,<sup>9</sup> while house prices increased by more than 20 per cent in the past year.

Those most impacted by the recent housing trends are people on low incomes who are much less likely to own their home, who spend more of their income on rent and live further away from work and study. Home ownership rates for young people on low incomes have steadily declined. In the 1980s, home ownership rates among those aged 25 to 34 years were similar, regardless of income. Now, home ownership rates for the poorest 20 per cent of young people have fallen from 63 per cent to 23 per cent.<sup>10</sup>

Home ownership is also becoming unaffordable for middle income earners, mainly because it takes much longer to save for a deposit. In the early 1990s, it took on average seven years to save a 20 per cent deposit for a typical dwelling. Now it takes around 12 years.<sup>11</sup>

The number of households experiencing housing and financial stress is increasing as rents and property prices rise much faster than incomes.

The number of people experiencing homelessness is consistently growing nationally, along with an increase in severely overcrowded dwellings and people sleeping rough. 278,300 clients received specialist homelessness services in 2020-21, more than 1.4 million clients since 2011-12.<sup>12</sup>

Many people we assist need help with their utility bills. They struggle to keep their homes cool in summer and warm in winter and these costs impose a disproportionate burden on them. Apart from improved health outcomes, investment in this area would lift GDP, create jobs and deliver ongoing productivity improvements for the Australian economy.<sup>13</sup>

## The people we support

The Society provides over \$30 million each year in the form of emergency relief. This assistance is used to cover the necessities of life, including accommodation and utility costs. The reality is that the Society's members often have limited options when it comes to addressing long-term housing needs. While help can be provided with completing application forms for housing, or by providing crisis, temporary or short-term accommodation, lives are on hold until people can secure safe and affordable long-term housing.

Even as a community housing provider, the Society is acutely aware of the demand that now exists, and of the ever-increasing shortfall of safe, secure and affordable housing.

Options are available such as the National Shared Equity Scheme, through which low-income Australians currently locked out of the housing market would be able to co-purchase lower priced homes. The National Housing Finance and Investment Corporation would contribute 30 per cent toward the home value with profits shared when the home is sold. A Housing Boost Aggregator could also be supported. This would provide community housing organisations with access to an annual refundable tax offset (boost), and an aggregator who would amass their capital requirements, create a fund and offer shares in that fund to institutional investors. The investors would provide upfront capital to the community housing organisation. This would help close the funding gap on new housing developments undertaken by community housing organisations.

In recognition of the fact that we cannot do this alone, the Society supports:

- [National Shelter Australia's Housing Policy Platform](#)
- [ACOSS' Housing and Homelessness Measures](#)
- [Everybody's Home campaign](#)
- [National Low Income Energy Productivity Program](#)
- [Social Housing Acceleration and Renovation Program](#)
- [Grattan Institute's National Shared Equity Scheme](#)
- [Constellation Project's Housing Boost Aggregator](#)

## Recommendations:

There are almost limitless policy options available to all levels of government to improve housing affordability and accessibility. We do not attempt to cover these in this paper – we are not housing policy experts. Instead, we have outlined our experiences and focussed on a few options that, if implemented immediately, would start to address Australia's rising housing crisis.

Many research institutions, peak bodies, campaigners, and industry representatives have called on the Australian Government to take action.<sup>14</sup>

Numerous Parliamentary committees<sup>15</sup> and Infrastructure Australia have recommended that social and community housing be prioritised, noting that housing quality, supply and design are inadequate across the country.

The Society calls on the Australian Government to:

- establish an independent statutory authority to develop a ten-year National Housing Strategy with all governments and key stakeholders, underpinned by a \$10 billion Social and Affordable Housing Fund
- review Commonwealth Rent Assistance and increase it by 50 per cent to the maximum rate
- reinstate the National Rental Affordability Scheme or a suitable replacement scheme

- fund the implementation of the National Low-Income Energy Productivity Program
- develop national minimum standards for renters and landlords to manage tenancy issues.

The Society does not have all the answers but every day across the country, our members, volunteers and donors are striving to help those in need, with housing being a common issue.

Investing in social and community housing not only helps those who need a roof over their heads to get on with their lives, it makes sound economic sense, creating jobs and stimulating the economy.

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- <sup>1</sup> Australian Catholic Social Welfare Commission, 1995, 'Housing in Australia: More than bricks and mortar' Catholic Social Welfare
- <sup>2</sup> St Vincent de Paul Society National Council of Australia, 2021. Submission 142. The House of Representatives Standing Committee on Social Policy and Legal Affairs (HoRSCSPLA), Inquiry into homelessness in Australia, Submissions – Parliament of Australia (aph.gov.au).
- St Vincent de Paul Society National Council of Australia, 2021. Submission 111. The House of Representatives Standing Committee on Tax and Revenue (HoRSCSTR) Inquiry into the contribution of tax and regulation on housing affordability and supply in Australia, Accessed on 3/2/2022 at: Submissions – Parliament of Australia (aph.gov.au)
- <sup>3</sup> Productivity Commission, May 2019, Is Australian becoming more unequal?, Accessed at: <https://www.pc.gov.au/news-media/articles/pc-news/pc-news-may-2019/unequal>
- <sup>4</sup> The Australian Government, The Treasury, August 2021 Statutory Review: Operation of the National Housing Finance and Investment Corporation Act 2018, Accessed at: <https://treasury.gov.au/sites/default/files/2021-10/p2021-217760.pdf>, p.28
- <sup>5</sup> Everybody's Home, Federal Election 2022, Accessed at: <http://everybodyshome.com.au/>
- <sup>6</sup> National Housing Finance and Investment Corporation (NHFIC), 2020, *State of the Nation's Housing 2020*, [https://www.nhfc.gov.au/media/1621/nhfc\\_state-of-the-nations-housing-report\\_accessible-updated.pdf](https://www.nhfc.gov.au/media/1621/nhfc_state-of-the-nations-housing-report_accessible-updated.pdf) [3160kb]
- <sup>7</sup> Pawson, H., Martin, C., Thompson, S., Aminpour, F. (2021) 'COVID-19: Rental housing and homelessness policy impacts' ACOSS/UNSW Poverty and Inequality Partnership Report No. 12, Sydney, accessed at: <https://povertyandinequality.acoss.org.au/covid-19-rental-housing-and-homelessness-impacts-2/>, P.100.
- <sup>8</sup> AIHW. 2020. *Housing assistance in Australia 2020*. Accessed at: <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2020/contents/priority-groups-and-waiting-lists>
- <sup>9</sup> CoreLogic, 26 October 2021, Australian rents increase at fastest annual rate since 2008, Accessed at: <https://www.corelogic.com.au/news/australian-rents-increase-fastest-annual-rate-2008#:~:text=National%20rental%20rates%20are%208.9,dwelling%20rents%20since%20July%202008.&text=Regional%20Australia's%20annual%20rate%20of,index%20figures%20commencing%20in%202005>.
- <sup>10</sup> Daley, J., Coates, B., Wiltshire, T., 29 November 2017, Three charts on: poorer Australians bearing the brunt of rising housing costs, The Conversation, Accessed at: <https://theconversation.com/three-charts-on-poorer-australians-bearing-the-brunt-of-rising-housing-costs-87003>
- <sup>11</sup> Grattan Institute, February 2021, Levelling the playing field: it's time for a national shared equity scheme.
- <sup>12</sup> AIHW, 7 December 2021, Specialist Homelessness Services, Accessed at: <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/about>
- <sup>13</sup> Deloitte Access Economics, April 2021, Economic impacts of the National Low Income Energy Productivity Program, Accessed at: [https://www.acoss.org.au/wp-content/uploads/2021/10/DAE-ACOSS\\_Economic\\_Impacts\\_of\\_NLEPP\\_Final\\_Report\\_211005.pdf](https://www.acoss.org.au/wp-content/uploads/2021/10/DAE-ACOSS_Economic_Impacts_of_NLEPP_Final_Report_211005.pdf)
- <sup>14</sup> Organisations include the Grattan Institute, AHURI, SGS Economics & Planning, Deloitte Access Economics, The Australia Institute, National Shelter Australia, ACOSS, Anglicare Australia, Homelessness Australia, Mission Australia, The Salvation Army, the Housing Industry Association, the Master Builders' Association, Community Housing Industry Association
- <sup>15</sup> Parliamentary Inquiry into the Adequacy of Newstart (2020), Parliamentary Inquiry into Homelessness (2021), Inquiry into Intergenerational Welfare Dependence (2019)



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