INQUIRY INTO HOMELESSNESS AND LOW-COST RENTAL ACCOMMODATION

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The Director Standing Committee on Social Issues Parliament House Macquarie St Sydney NSW 2000

Re: Legislative Council Standing Committee on Social Issues Inquiry into homelessness and low-cost rental accommodation

ACL thanks the Committee for the opportunity to make a submission to this important inquiry.

ACL commends the Minister for Housing and Minister for Western Sydney, the Hon David Borger MP for referring the issue of homelessness to the Committee for examination. We note with interest that on the inquiry website four days have already been set aside for public hearings on the issue.

Recent governments at both the federal and state/territory level have increasingly sought to address the issue of homelessness, demonstrating a genuine commitment to overcome this problem, which has plagued our otherwise wealthy and socially successful nation for some time. This inquiry is an honest and welcome admission that much more could and should be done to address the problem of homelessness in New South Wales.

ACL is very supportive of community and religious organisations that devote considerable resources, both monetary and in terms of time, often of a voluntary nature, to addressing the crisis of homelessness in Australia. Any long-term sustainable response to homelessness will necessarily require the active involvement of these groups throughout the reform process. ACL would therefore encourage the Committee and the Government to maintain their engagement with homelessness support providers and with the public, and beyond the timeframe and framework envisaged by the inquiry terms of reference.



The current state of homelessness

There were approximately 105,000 homeless Australians on the 2006 Census night.¹ Approximately 27,000 of that number were in New South Wales. In such a prosperous nation and state, such figures are tragically high.

In July last year, the Wesley Mission published a revealing report on homelessness entitled, "More than a Bed: Sydney's Homeless Speak Out". The report, produced by a leading provider of social services in New South Wales, was based on data accumulated through over 200 interviews with residents of, and visitors to, six homeless service centres located across inner Sydney.

The Wesley report is quite explicit in identifying the causes of homelessness and the reasons why people are unable to break out of the cycle of homelessness. Two pictorial pages, which follow the cover page of the report, unambiguously shows the causes to include child abuse, drug addiction, sexual abuse, financial stress, housing crisis, mental illness, unemployment, physical disability and domestic violence.²

The report identifies the housing crisis as the single greatest contributor to homelessness amongst those interviewed. Housing affordability is also identified as a key contributing factor of homelessness in the report analysing ABS statistics. In that report, Chamberlain and MacKenzie argue that, "housing affordability has declined to the point where it has become a public issue of major proportions."³

With such a complex array of issues contributing to the crisis of homelessness in Australia and the state of New South Wales, it is poignant that the Wesley Mission homelessness report begins with the bold proclamation: "There is no quick fix for homelessness".

Homelessness and low-cost rental accommodation

Due to the housing affordability crisis and the worsening global economic crisis, in which Australia's unemployment rate is set to increase dramatically, it is commendable that the government is wishing, in accordance with the inquiry terms of reference, to explore and implement viable strategies for increasing the number of available low-cost housing in the short to medium term.

ACL is particularly concerned for the welfare of families who will suffer the ill-effects of the loss of employment during the current financial downturn. It is also concerned for the welfare of elderly Australians and other economically vulnerable people subject to the stresses of the private rental market. Sufficient numbers of low-cost rental accommodation options must be

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¹ C. Chamberlain & D. MacKenzie (2008). *Counting the Homeless 2006*. Canberra: Australian Bureau of Statistics.

http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/57393A13387C425DCA2574B900162DF0/ \$File/20500-2008Reissue.pdf

² Wesley Mission (2008), *More than a Bed: Sydney's Homeless Speak Out.* http://www.wesleymission.org.au/News/research/Homeless/report/Homelessness wesleyreport onlin

³ Chamberlain & D. MacKenzie, op. cit. p. 49.

available to these groups of people. Unfortunately, the gap between the number of people requiring housing assistance and the number of available public housing options has continued to increase in recent years.

ACL would urge the Government to devote a marked increase in funds towards the development of low-cost rental housing, ensuring that 'low-cost' does not equate to 'low quality'. Public housing must be located close to public transport and other amenities, ensuring that residents can easily access a full range of health, employment and other social services.

The Government must better consider the placement of low cost housing, ceasing to employ the out-dated approach that has created entire suburbs of public housing. Dr Alan Morris, a sociologist with the University of New South Wales, has labelled such suburbs 'dumping grounds', where subsequent governments have housed people with complex social and economic needs.⁴ A more sensible approach is required.

ACL would strongly encourage the Government to engage the community and charitable sector to provide and manage low-cost housing options. Naturally, such organisations are unable to generate the large capital required to construct such premises and would need significant government or private funds.

ACL urges the government to wisely consider the involvement of private, wealth-generating businesses in the provision of low-cost housing. Any strategy that engages private businesses in such programs must ensure any constructed home is returned to public ownership, and that models for commercial returns are calculated to benefit the project as much as the builders.

A broader response to homelessness

Although the terms of reference for this inquiry commendably address the short and medium term problems associated with a lack of affordable rental options for residents of New South Wales, it is somewhat disappointing that the Committee has not been given the scope to more broadly examine the causes of homelessness. These include such problems as generational poverty, substance abuse, mental health and family breakdown, as clearly identified in the Wesley report mentioned above.

Homelessness will remain an issue across Australia if governments and communities fail to adequately identify and tackle its social and economic roots. Although a much more detailed and time-consuming strategy, an inquiry that more thoroughly examined these causes would provide the impetus for a more comprehensive and targeted response to the problem of homelessness and strategies that would address the issue better over time – time in which the problem will otherwise only become worse.

⁴ S. Lunn (2009, January 10). "Public housing a 'dumping ground'", *The Australian*, <u>http://www.theaustralian.news.com.au/story/0,25197,24893562-5013871,00.html</u>

Concluding remarks

The Government is to be commended for taking responsibility for addressing the problem of homelessness in New South Wales, and for seeking public input on how this can be achieved. The inquiry terms of reference, however, limit the exploration of the issue to short and medium term cures of homelessness.

ACL recommends the Government:

- Recommit to adequately funding the construction of publicly-owned low-cost rental accommodation throughout the state;
- Cease the policy of placing individuals experiencing complex economic and social problems, such as mental illness and substance abuse, in suburbs with similarly systemic economic and social problems;
- Instigate a major study to investigate, and then tackle through targeted policies, the causes of homelessness, such as unemployment, family breakdown and abuse; and,
- Engage both the community and charitable sectors in identifying and addressing both the causes of, and solutions to, homelessness.

I hope this information is useful to the Committee.

Yours sincerely,

Jim Wallace AM Managing Director Australian Christian Lobby