

**Submission
No 162**

**INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE
HOUSING**

Organisation: Women's Electoral Lobby NSW

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The Hon Paul Green MLC
Chair Select Committee on Social and Affordable Housing
Parliament House
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Dear Mr Green

Women's Electoral Lobby NSW welcomes the opportunity to comment on the NSW parliamentary Inquiry into Social, Public and Affordable Housing.

WELNSW is an independent, non-party political feminist lobby group that has worked for over forty years on campaigns, advocacy and policy to improve the position of women in NSW. Through our affiliation with our other state-based branches, we constitute WEL Australia which works at the national level. We have attached our most recent policy on Affordable Housing which we took to the 2011 state election.

The WELNSW policy position on Affordable Housing identifies key components of the current crisis in home affordability in most major NSW centres. More recent alarming data than that included in the 2011 policy includes: a projected NSW housing shortage of 155,700 dwellings by 2020; the decline in social housing in NSW as the need for tenure in such dwellings grows, so that currently availability only meets 40% of need; and the crisis in the affordability of dwellings to rent and purchase, such that Sydney is now ranked internationally as the third most unaffordable major housing market for home buyers with a concomitant impact on the affordability of rents.

The crisis in housing affordability has a specific impact on women who earn less, are more likely to be underemployed, work part-time or are not participating in the labor market for periods of caring and have less accumulated wealth over the life course than their male counterparts¹. It is clear that many single women, and older women, are especially financially vulnerable and many face difficulties affording the housing available to them, especially if they live in Sydney.

Consistent with our policy position in 2011 WELNSW broadly supports the Legislative Council amendments to the NSW Planning Bill designed to increase the supply of affordable housing.

¹ See for example *Women in NSW 2013 'Work and Financial Security'*:93 and Fig 4.8 and table 4.11 on page121 www.women.nsw.gov.au/publications/women_in_nsw_reports

In this submission we concentrate on a number of the Inquiry terms of reference, with a focus on evidence of low socio economic status women's housing situation and needs. The specific terms of reference we address are: projections of future social, public and affordable housing supply and demand to 2020; data regarding the link between the lack of appropriate social, public and affordable housing in NSW and indicators of social disadvantage and policy recommendations.

We also comment on state/Commonwealth funding partnerships with concerns regarding the future of the National Rental Affordability Scheme which entails Commonwealth and State collaboration on housing provision for people at risk of housing stress.

In relation to the demand for social and affordable housing, we draw the Committee's attention to recent research on the links between the lack of appropriate social, public and affordable housing in NSW and indicators of social disadvantage amongst women at different life stages. This research includes an as yet unpublished report '*Socio-economic status of women across the life course in NSW*' on research undertaken by the Australian Institute of Family Studies and managed by Women NSW and the NSW Department of Family and Community Services.

WELNSW has written to the Minister for Families and Community Services asking that she arrange for the report to be provided to this Inquiry, possibly as part of a Family and Community Services submission.

In the submission we draw on research and policy development undertaken by the NSW Older Women's Network and St Vincent de Paul to comment on the integration of social services necessary to support sole women tenants' livelihoods and well being, especially in relation to mid-aged and older women.²

Finally, in 'other relevant matters' we draw the Committee's attention to our very serious concerns about the processes being adopted in the reform of homelessness services in NSW and the potential impact on women's refuges and gender specific domestic violence services.

Should you wish to discuss this submission further please contact Dr Mary O'Sullivan on

Yours sincerely
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28/2/0'14

² Mc Ferran, L *It could be you: female, single, older and homeless* Older Womens Network, St Vincent de Paul, Society 2010. For online version see

WELNSW Submission to the Inquiry into Social, Public and Affordable Public Housing

Data regarding the link between the lack of appropriate social, public and affordable housing in NSW and indicators of social disadvantage.

Women in NSW 2013 is the most recent in a now annual series from the NSW Department of Family and Community Services and Women NSW.³ The publication includes summary NSW data from national statistical collections to provide an year by year overview of the social and economic position of women in NSW and their progress against a range of indicators.

Women in NSW 2013 draws attention to significant number of single women living alone in NSW who suffer from housing stress. (Housing stress occurs when households spend 30% or more of their income on housing related costs). *Women in NSW 2013* states that 'in the 'over-45' age group, single women living alone or as sole parents are the group most affected by housing stress. Out of the total over 45 population paying rent and mortgage, single women made up 60 percent of people experiencing rental stress and 55 percent of those experiencing mortgage stress'.⁴

In an observation relevant to the Parliamentary Inquiry's interest in future supply and demand for social, affordable and community housing *Women in NSW 2013* states that 'mature age people are a key focus of concern when considering housing because the level of stress is an indicator of whether they will own a home during their retirement. Home ownership, in turn, is a major factor in whether older people will be comfortably able to live on fixed incomes, whether superannuation or pensions.'⁵

Women in NSW goes on to cite the HILDA survey data as showing 'that the single women are a slightly larger percentage of people under housing stress in the bottom two socio-economic quintiles, or most disadvantaged social groups of the population. Women are 63 percent of people experiencing rental stress and 60 percent of people under mortgage stress in this population.'⁶

Women aged 45 and over are particularly susceptible to rental stress.

Women in NSW presents evidence to show that Commonwealth Rent Assistance (CRA) was received by around 397,000 single people or families in NSW in 2012, of whom single people and sole parents made up approximately three-quarters of recipients (73.5 percent).

The *Women in NSW* report states that 'CRA is paid to alleviate rental stress, but the percentages of women receiving CRA and still experiencing rental stress are significant. It is noteworthy that 46 percent of single women with no children receiving CRA experienced rental affordability stress in 2012; 45 percent of single women with children living in Sydney receiving CRA experienced rental affordability stress in 2012. This compares with 27% of sole female parent families living in the rest of NSW experiencing rental stress. Overall 39% of single mothers received Commonwealth Rental Assistance in NSW in 2012/13.

³ *Women in NSW 2013 op.cit*

⁴ *Women in NSW 2013:124*

⁵ Op.cit:124

⁶ Op.cit:124

WELNSW and WELA strongly opposed the Federal Government's 2012 removal of single parents from Single Parent Benefit to NEWSTART when their oldest child turns eight. We anticipate that this will exacerbate the already high level of housing stress suffered by single mothers and ask that the Committee seek further data on this from the Federal Government.

More NSW women than men meet the eligibility criteria for Commonwealth Rental Assistance, and women make up 91 percent of sole parents on CRA. The data shows that for most subgroups of single people, women are disproportionately likely to still experience rental affordability stress.⁷

Early in 2013, Women NSW and Carers' Ageing and Disability Inclusion (within the NSW Government portfolio of Families and Community Services) commissioned the Australian Institute of Family Studies (AIFS) to examine socio-economic status (SES) from the perspective of sex and age.

AIFS' brief was to explore conceptual and measurement issues as well as to provide a map of the socio-economic status of women across the life-course.

The study, *The Socio-economic status of women across the lifecourse in NSW*, found that there was considerable variation across indicators and across life-stages as to which population groups were over and under represented among low SES women. In other words the report promotes a 'no one size fits all' approach to identifying women in poverty or at risk of poverty.

Unsurprisingly and consistent with the public positions of WEL and other progressive advocacy groups, the research found the following indicators were useful across all life stages in determining women most at risk of poverty:

- income support payments as the main source of income;
- low (equivalised) household income;
- **public housing tenure or private rental in receipt of CRA.**⁸

In summarising the policy implications of the section of the research concerning housing the report states, 'Housing policy is relevant across the life cycle for women' and it acknowledges the 'particular vulnerability of young people in the housing market with their lack of rental history and limited assets'.

An important finding of the research is the extent to which women's household arrangements, including their tenure, can determine their actual access to financial resources and relative wealth.

The *Women and SES* research report discusses the extent to which women's individual resources both within a household and in relation to their housing tenure may differ from resources indicated via conventional measures made at the household or area level and which take no account of gender, or simply 'equivalise' household income.

It is critical to disaggregate household measures in terms of gender when considering women's vulnerability in the event of a change in household living arrangements arising from divorce or separation. Especially since women are often at a financial disadvantage at times when they

⁷ Op.cit :125

⁸ *The Socio-economic status of women across the life course in NSW xi*

are working part-time, outside or on the margins of the labour force while caring and with little or no superannuation at older ages.⁹

Chapter 3 of *Women in NSW* report includes an examination of housing tenure as an indicator of women with limited access to financial resources. It cites extensive research evidence that older single women are more likely to have a lower standard of living compared to partnered women, after taking their housing costs into account.¹⁰ The report also quotes research from the Brotherhood of St Laurence that older women with private rental housing tenure have a greater risk of disadvantage.¹¹

Projections of future social, public and affordable housing supply and demand to 2020 and ongoing funding partnerships with the Federal Government

The Parliamentary Inquiry's first term of reference concerns projections of future social, public and affordable housing supply and demand to 2020. In terms of home ownership and housing tenure *Socio-economic status of women across the life course in NSW* charts radical differences across NSW women's life course¹².

Currently the majority of older women are in owner occupied dwellings, with those most financially vulnerable being in the private rental market. However progressive decline in home ownership in the 25-34 age group, with increasing numbers of women reliant on the private rental market could contribute to future lower socio economic status for this current generation of younger women as they move into middle and retirement ages in the next two decades.

Socio-economic Status of Women across the life course in NSW makes a generalized policy recommendation on housing, which WELNSW would nevertheless broadly endorse. In relation to older women who are towards the end of their working lives the report recommends that 'the adequacy of subsidies for those renting privately or in the social housing system are more salient policy levers for ensuring their residential security'¹³. Since these subsidies represent a mixture of State and Commonwealth Government measures there is a need to better synchronize responses in this area. As the report says', given the ageing of the population, policies addressing housing for older women and men are likely to become more important'.

⁹ Wood et al, 'The implications of loss of a partner for older private renters' Cited in Beer and Faulkner '21st Century housing careers and Australia's Housing Future':115 and in Mc Ferran, L *It could be you:female, single,older and homeless* Older Women's Network, St Vincent de Paul, Homelessness NSW 2010

¹⁰ 'Socioeconomic status of women across the lifecourse' 2014 Australian Institute of Family Studies and FACS NSW

¹¹ Kimberly, H & Simons, B (The Brotherhood's Social Barometer:Living the second fifty years Fitzroy,Vic:Brotherhood of St Laurence) quoted in 'Socioeconomic status of women across the lifecourse' FACS NSW :27-28

¹² 'Socioeconomic status of women across the lifecourse' 2014 Australian Institute of Family Studies and FACS NSW :29, FIG 14

¹³ Socioeconomic status of women across the lifecourse':86-87

There is already evidence, quoted in *It could be you: female, single, older and homeless*¹⁴ that the most dramatic decline in home ownership nationally is in the forthcoming generation of retirees in the 45 to 59 age bracket. 'The homeownership rate amongst this group declined from 54.4% in 1995-96 to 35.8% in 2005-6.'¹⁵

Citing the extensive work on housing and affordability undertaken at the University of Adelaide's Centre for Housing, Urban and Regional Planning, *It could be you: female, single, older and homeless* states that 'older single women tenants in private rental households are at particular risk of housing insecurity because of limited pathways into home ownership compared to men. Women who have always rented are less likely to have the deposit or to be able to afford the repayments.'¹⁶

It could be you makes a number of policy and legislative recommendations which remain relevant to this Inquiry:

1. Collect mainstream homeless and housing data disaggregated by sex that enables the development of a gendered homeless and housing policy.
2. Consult with older women on their experience and needs when developing mainstream homeless and housing strategies.
3. Set targets to meet the needs of older women in all relevant strategies.
4. Fund a quantitative study to identify numbers of 'at housing risk' older women.
5. Adapt this quantitative methodology to ABS Census counts of the homeless.
6. Balance quantitative data on homelessness with evidence of economic disadvantage putting older women at risk.
7. Housing policy ensures that appropriate and affordable single person housing stock meets the needs of older women into the future.
8. Fund a market survey to gauge older homeowner support for a secondary dwelling program, the barriers and necessary incentives to take up for a national secondary dwelling program.
9. The Commonwealth funds a national secondary dwelling program.
10. The Commonwealth ensures all financial barriers are removed for secondary dwelling program.
11. Local government restrictions are lifted for a secondary dwelling program.
12. Fund a study into the viability of a shared equity scheme and community land trust schemes targeting older women with housing deposits below market value.
13. Early and accelerated access to social housing for women aged 45 and older by raising the social housing income eligibility limit.

¹⁴ Mc Ferran, L *It could be you* op.cit

¹⁵ McFerran, L *It could be you:10*

¹⁶ McFerran, L *It could be you:11*

14. Prioritise older women and affordable single person housing in the National Rental Affordability Scheme (NRAS).

In the three years since *It could be you* appeared there has been some action in relation to Recommendation 11, on secondary dwellings. As new and updated Local Environment Plans are endorsed, NSW Councils are encouraging secondary dwellings in all residential zones.

In relation to Recommendation 14, WEL NSW is very concerned about the future of the National Rental Affordability Scheme. We understand that the 10,000 subsidies under the most recent tender are yet to be announced. We ask that the Inquiry recommend that the NSW government urgently pursue this matter as well as matching Commonwealth funding.

Other relevant matters: The impact of Reform of Homelessness Services in NSW on women escaping family and domestic violence and gendered domestic violence services

Since the establishment of the first women's refuges in the early 1970s, domestic and family violence has crystallized the extent to which changed household relationships can precipitate women into fraught and precarious situations, including homelessness. Indeed as *It Could be You* states, 'The experience of domestic violence has been the entry point for women into supported accommodation and has tended to define women's experience of homelessness in Australia'¹⁷

The last four decades have seen an accumulation in NSW of a deep base of expert knowledge and practice around women only services, including health and domestic violence services. This extends to specialist and niche knowledge and practice in such areas as particular locales and with different cultural groups.

WELNSW is therefore very concerned that the NSW Government's Reform of Homelessness Services in NSW could mean the dilution of this gender specific expertise and knowledge as big providers, including NGOs and for profit groups win tenders for service delivery over smaller and mid size local and specialist agencies. Many local refuges have deep and long experience of supporting women to survive the trauma of family violence, set up their own households and lead independent lives. Any cessation of gender specific services will impact negatively on our response to homelessness arising from domestic violence.

We understand that Domestic Violence NSW and Women's Legal Services are making submissions to this inquiry on this issue. We urge the Committee to pursue this matter further through the hearings process as delivery of tendered joint delivery services is scheduled to begin in July this year, during the Inquiry's watch.

¹⁷ *It Could be You*:7

AFFORDABLE HOUSING

Background

WEL believes that the availability of affordable, suitable and secure housing for all Australians is critical for achieving social justice and cohesion. It is of particular concern for women who are disproportionately represented amongst lower income earners and as the victims of domestic and family violence, and who are more likely to be responsible for the upbringing of children. Yet a significant number of Australians, mainly low to moderate income earners, are suffering from housing stress or homelessness.

Some key concerns are:

- Over one million families in Australia are estimated to be in housing stress ie paying more than 30% of their income in housing costs. NSW has the highest rate of rental stress of all states/territories, particularly in Sydney.
- There is a significant shortage of affordable private rental housing stock throughout Australia. In NSW in September 2010, only 44% of available rental stock was affordable for low to very low-income families.
- In June 2009, the waitlist for public, community and state owned/managed Indigenous housing in NSW was 69,624 households.
- While there has in the past been a bias towards home ownership (just below 70% of households), house prices have risen more rapidly than incomes for the last 50 years and especially in the last decade, creating high barriers to home ownership for low income households.

- About 105,000 Australians are estimated to be homeless – 27,374 homeless people were counted in NSW in the 2006 census. There is some evidence that rising rents, family breakdown and the current economic downturn are pushing more women, especially older women, into homelessness. Since 2007/8, women over the age of 45 outnumber older men in government funded shelters.
- Barriers to accessing affordable housing mean that women escaping from domestic violence will continue to rely heavily on emergency accommodation, and for longer periods of time. For victims of domestic violence and their children, this situation increases the risk of long term homelessness or return to a violent situation.
 - One study has indicated that the housing situation for women and children experiencing domestic violence has deteriorated significantly, with women facing lengthy and fragmented processes when attempting to obtain safe, secure and affordable housing.
 - There is significant concern about the lack of exit points from crisis accommodation into longer term housing. Another recent study confirms the urgent need for more safe, secure, affordable and stable housing options to allow women to re-establish their and their children's lives post violence.



affordable housing

Recent developments

While the provision of social housing is the primary responsibility of State and Territory Governments, the Commonwealth Government provides significant funding: principally through the National Affordable Housing Agreement (NAHA) (replacing the Commonwealth State Housing Agreement (CSHA)) and Commonwealth Rental Assistance (CRA) as well as indirectly through the taxation system.

WEL welcomes a number of significant initiatives taken by the Australian Government since 2007 such as appointing a Minister for Housing; increased funding through the NAHA; initiatives to increase supply of affordable housing such as the National Rental Affordability Scheme which encourages private investment, and allocation of additional funds under the Social Housing Initiative of the Nation Building Economic Stimulus Plan.

We also recognise that the Australian Government has committed to halving the number of homeless people by 2020. In addition, a number of policies have been announced in the last 2 years by both the Commonwealth and NSW Governments which have the potential to improve housing outcomes for women and children experiencing homelessness due to domestic violence, such as a 20% increase in the number of such families securing safe & sustainable housing by 2013.

Many of these initiatives rely on State/Commonwealth co-operation for their effective implementation. One key initiative, the National Rental Affordability Scheme (NRAS) – described as *the* growth fund for Australia's social housing - requires both a tax credit from the Commonwealth and a subsidy from the State Government. Shelter has pointed out that the NSW Government is only promising a limited number of base rate NRAS subsidies and needs to allocate additional subsidies in order to establish a fair share of NRAS dwellings in NSW (around 15,000 rather than around 5,000 as currently projected).

WEL Recommendations

WEL supports Shelter's recommendation that the NSW Government commit to sufficient matching subsidies so that NSW receives at least 30% of all future NRAS incentives and that it commit to combining in-kind state contributions (such as free or discounted land and planning) with NRAS subsidies.

WEL also endorses the call by the NSW Women's Refuge Movement that a percentage of social and affordable housing stock be specifically allocated to women and children who are homeless because of domestic and family violence.

WEL further joins Shelter & other advocacy groups in urging the NSW State Government to work with the Australian Government to:

- Develop a National Housing Strategy as a policy framework for the NAHA, covering a range of affordable housing options such as affordable rental, transitional/supported housing, home ownership programs and housing controlled by Aboriginal and Torres Strait Islander people.
- Review income support and tax systems to improve equity and efficiency in the housing system.
- Review the planning and regulatory framework such as land use planning and development approval system, residential tenancies regulations and regulations covering mortgage lending. The State Government has a particularly critical role to play in urban and regional planning and transport strategies that can assist in achieving a fairer housing system. The NSW Department of Planning's current review of its one year old State Environment Planning Policy (Affordable rental housing) (AHSEPP) aimed at encouraging and fast tracking approval for affordable rental homes may point the way to further initiatives in this area.
- Tackle the growing problem of homelessness by increasing the access of highly disadvantaged households to social housing properties and closely integrating housing strategies with other strategies aimed at dealing with homelessness, family violence and child protection.