

## Inquiry into Homelessness in Victoria

Mr Jack Verdins

**Organisation Name:**

**Your position or role:**

### SURVEY QUESTIONS

**Drag the statements below to reorder them. In order of priority, please rank the themes you believe are most important for this inquiry into homelessness to consider::**

Public housing,Rough sleeping,Employment,Services,Family violence,Mental health,Indigenous people,Housing affordability

**What best describes your interest in our Inquiry? (select all that apply) :**

Concerned citizen

**Are there any additional themes we should consider?**

Neo-liberalism and the undue influence of privatised public housing industry on government policy

### YOUR SUBMISSION

**Submission:**

With all the goodwill in the room, one needs to wonder why we still have a problem.

The solution for looking after the majority of our homeless is clear:

- 1.build or buy more public housing
- 2.and implement a proven program such as Housing 1st from Finland to provide permanent and stable housing and adjoining services and care systems to people experiencing homelessness.

This factors that have pushed investment in Public Housing to the side are summarised in the attached document.

- A privatisation agenda for Public Housing by both major political parties has been in play for 20 years.
- Private sector providers have now captured the debate and largely control the space, and they actively shut down any advocacy for public housing. It is in the interest of their bottom-line to ensure they continue to absorb public housing.
- Use of the term Social Housing has misled the public and even rank and file members of the major political parties to believe that investment in public housing is alive and well.

I urge this inquiry to recognise the lobbying of private interests and resist their well formulated plans for more Social Housing. Social Housing in practice is Community Housing, and the strategic plans of CHOs are formulated in terminology such as growing their asset base. There is no social service ethos in this, and if implemented will continue to perpetuate the conditions that have led to the situation we are now in.

**Do you have any additional comments or suggestions?:**

Look out for conflict of interest by supposedly neutral submissions. Obviously Community Housing organisations are in conflict with direct Public Housing. Also in conflict will be the many beneficiaries of the CHOs such as sponsored think tanks and sponsored presence in tertiary institutes.

### FILE ATTACHMENTS

**File1:** [5e6f0d2d52036-2020 Vic H Inquiry Submission by Jack V.docx](#)

**File2:**

**File3:**

**Signature:**  
Jack Verdins

**with all the goodwill  
in the room,  
why do we still have  
a problem?**

Most of the 25,000 homeless in this state are sleeping in their cars, “couch surfing” with friends, or doubling up in overcrowded accommodation. These people have done nothing to cause this but have been failed by our government. Being poor due to issues such as ill health, mental issues, family separation, and similar is not a choice!

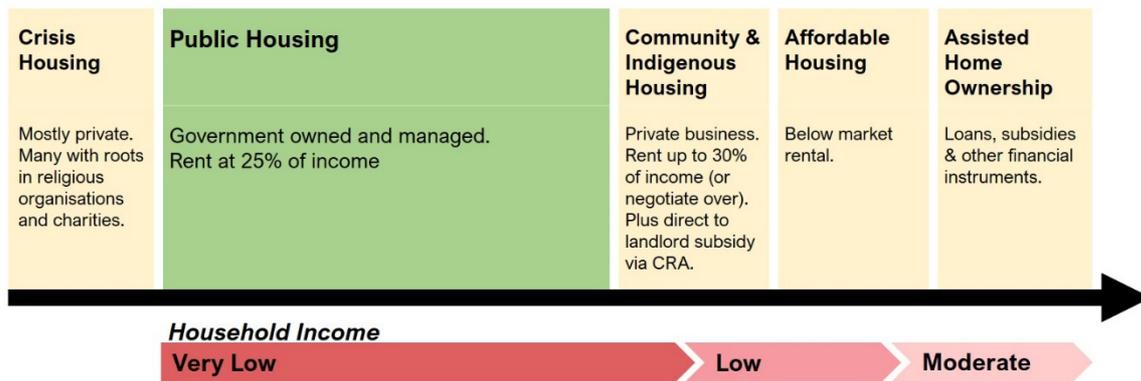
Public Housing is meant to be the answer, but sadly there has been no new Public Housing development in Victoria for 20 years. With 84,000 people on the Public Housing waiting list – and growing daily by 125 - it is virtually impossible to get housing support except in emergencies.

The government has the strategy to privatise Public Housing and has succumbed to the well organised and funded lobbying of the Community Housing sector. All government support has gone to this sector via grants, rent “subsidies” and developer incentives. Sadly, the private businesses that make up the Community Housing sector rarely select tenants from the bottom 25% of the waiting list as they represent a “business risk” or do not have sufficient income. As such, the waiting list continues to grow and the most marginalised in our society continue to struggle to find shelter.

Unless there is a change in our social conscience, and funds are directed to the building and acquisition of new Public Housing then our “homelessness problem” will continue to get worse. Meanwhile the Victorian Government is planning to transfer 4,000 properties – and possibly more - to Community Housing to satisfy its privatisation strategy, but only exacerbates the problem by reducing Public Housing stock.

Countries such as Finland with its Housing 1<sup>st</sup> program have taken homelessness head-on and have made significant headway. We too can get there, but it will require a significant reversal of current government policy.

## Housing Continuum



**Public Housing** is owned and run by the government and charges only 25% of one's income.

In the past 20 years, the level of Public Housing stock has not increased. For someone to get an offer of permanent housing means that an existing tenant needs to leave or pass away. As a result, the waiting time for urgent applications is now 1-2 years and growing, and 6-7 years for those on low income.

**Community Housing** organisations are private businesses, and most cannot afford to take in those on the lowest income.

Officially they charge between 25% to 30% of income, however for tenants on moderate incomes, there is flexibility for community housing to adopt different approaches, such as basing rents on a discount to market rental.

Community Housing stock in Victoria grew from 11,700 in 2009 to 19,200 last year. This was helped with support in the Rudd GFC stimulus in 2009 through to the plethora of government housing "financing" schemes in play today.

**Social Housing** is an artificial umbrella construct for two unlike segments in Public and Community Housing. In practice, the term Social Housing has been used to imply that Public Housing is involved in an announcement or policy when it is not. Rather cynically, when Public Housing is involved in an announcement, it is explicitly called out by the same people.

**Community and Social Housing** announcements and policies have misled the general public and even the rank and file of the major political organisations to believe that there is focus and activity to increase and improve Public Housing. This is a deliberate ploy to siphon all funding and support away from Public Housing and enrich the private sector businesses.

**Affordable housing** is directed at those just short of being able to pay market rates for rental. As such it is not relevant to this inquiry.

**So, the answer is simple**

1. build or buy more public housing
2. and implement a proven program such as Housing 1<sup>st</sup> from Finland to provide permanent and stable housing and adjoining services and care systems to people experiencing homelessness.

**However, there are a number of factors that have pushed Public Housing to the side.**

1. The various Liberal and Labor governments have been following an agenda to get out of the public housing business. In the rush, new investment has only focused on Community Housing. It has failed to recognise – or conveniently ignored - that more Public Housing is needed to accommodate those below the financial threshold acceptable to Community Housing.
2. To exacerbate the lack of Public Housing, the government has
  - a. Embarked on the Public Housing Renewal Program, which they cynically renamed the Social Housing Renewal Program once it was discovered private businesses would be used to own or run the new properties
  - b. Flagged the transfer of 4,000 public housing properties to the private sector. The Community Housing industry has openly said it is targeting 35% of public housing to be transferred in the medium term.
3. Public Housing stock has been deliberately allowed to run down. Reports by the Attorney General in 2012 and 2017 called this out, yet the problem persists.
4. A major industry has emerged in the privatised “public housing” sector from the late 1990s to today. There are now 10 Housing Associations and 30 Housing Providers in Victoria.
5. Push for inclusionary zoning and affordable housing, confuses the debate. Coupled with discussion around Social Housing creates the illusion that the full housing continuum is being considered. The loser is Public Housing which is left for dead.
6. There has been an increasing stigmatisation of people who live in public housing. They have been framed as lazy and undeserving by many. As such, there are no votes in Public Housing.

**Community housing providers have now captured the debate and largely control the space, and they actively shut down any advocacy for public housing. It is in the interest of their bottom-line to ensure they continue to absorb public housing.**

- Well-funded marketing budgets support an extensive network of lobbyists such as sponsored think tanks, presence in our tertiary institution, and seats on the board of CHOs. Politicians are courted, expensive conferences are run, and everyone gets to network.
- Up against this are public housing advocacy groups run by part-time volunteers with no budget.

**I urge the inquiry to see through the noise, forget commercial interests, and put the fate of our most vulnerable back into the hands of the public sector to manage.**

**The answer is clear, but the political will is not. In the meantime, 25,000 human lives suffer every night.**