

From: Inquiry into the Public Housing Renewal Program [REDACTED]
Sent: Friday, 3 November 2017 11:30 AM
To: phrp
Subject: New Submission to Inquiry into the Public Housing Renewal Program

Inquiry Name: Inquiry into the Public Housing Renewal Program

Ms Wendy Dawson

T: [REDACTED]
E: [REDACTED]

[REDACTED]

SUBMISSION CONTENT:

--

Inquiry into the Public Housing Renewal Program
Standing Committee on Legal and Social Issues, Victorian Parliament

Wendy Dawson
[REDACTED]

This submission highlights the urgent need to develop housing and planning principles for Victoria to underpin long term strategies consistent with sustainable social justice, providing access to affordable housing for future generations in Melbourne, a city growing rapidly beyond its social infrastructure capacity in the context of very rapid land price and housing cost growth whilst wages and benefits are relatively stagnant. This submission addresses key terms of reference of this Inquiry.

1. Selling public housing land is selling the key and central component that could enable provision of public and social housing for generations.
2. Current waiting lists grossly understate existing need or the potential for exponential growth in current economic conditions. Modelling suggests that by 2025, nearly 300,000 households will not be able to access the housing market and 462,000 households requiring rental assistance if current conditions continue, unaddressed by sustainable policy (AHURI, 16 August 2017).
3. Increasing need for safe, affordable housing requires urgent prioritisation of a long term strategy to fast track the preservation of public land and access to funds for public and social housing. To do so has the potential to build community resilience and wellbeing thereby reducing the pain and costs triggered or worsened by impending homelessness and poverty.
4. Financing is a significant issue but innovation is possible in the face of the rapidly growing need. National discussions about opportunities to source capital from, for example major superannuation funds (in need of sound, secure returns), issue Government bonds or Future Fund investment are all possible if the Victorian and NSW Governments get active within COAG. Whilst state funds may not be flush, infrastructure for high cost, high population need areas like Sydney and Melbourne are crucial to national

economic and social wellbeing, particularly as this land is close to jobs.

5. The Victorian Public Housing Renewal Program's 10% increase in public housing is far too small an increase to merit the very significant public costs of enabling access of private developers to potentially enormous profits, this is illustrated by:

- a. The Carlton Estate Redevelopment increased housing by 28% but the number of residents now housed has reduced by 32% (510 down to 349 people). An increase in units does not mean more people are housed!
- b. A 57% increase in public housing stock is required to address the current waiting list (not the actual need). Calculation based on 62,800 households managed by the State Housing Authority in 2015 and nearly 36,000 families on the current waiting list.
- c. In the last 12 months (Sept 16 – Sept 17) there has been an 8% increase in social housing applications on the Victorian Housing Register (www.housing.vic.gov.au/public-housing-waiting-list accessed 3 Nov 2017)

6. Public housing provision began in Victoria towards the end of the 1930's depression there were four decades of land acquisition and construction, some amidst significant controversy. As the costs of maintenance and management increased and housing was affordable in the context of wage growth and improved social security the drive to build and retain public housing waned. In the last four decades there have been extensive sell offs of public housing in what are now very high value estates eg Port Melbourne, Ashburton/Holmesglen. This renewal program has come at the crossroads of underinvestment, failure to meet growing need and a failure of good governance and asset management (Managing Victoria's Public Housing, Vic Auditor General Report June 2017). Selling off the problem is not the solution. This crossroads provides the opportunity to regroup, ensure expert appropriate asset management and increase social housing investment for future generations. At an absolute minimum, preserve the land until appropriate governance structures can be put in place and communities have the opportunity to invest appropriately.

7. Victorian investment appears to be a long way behind other states.

- a. Australian households in public and social housing as a proportion of total households has fallen from 7% in 1991 to 4% (2016 Australian Bureau of Statistics Census)
- b. In Victoria, public housing has decreased as a proportion of all occupied dwellings to 2.7% in 2016 from 3.4% in 2006 (Vic Auditor General Report June 2017).
- c. Considering all social housing Victoria has a proportion of 4.5% of all occupied dwellings. In NSW the proportion is 5.2% (VAGO 2017). For Victoria to reach the national average of 4.5% social housing the Family Violence Housing Assistance Implementation Taskforce has found that 3,400 new social housing dwellings are required per year until 2036.
- d. To build any less than 3,400 new social housing units every year will increase housing distress with all the social and health sequelae, and further personal and public costs in poorer health and lost opportunity for children. Increasing Victorian's dependence on private rental is selling the state short and has multiplier effects.

8. Ironically, current Victorian Labor party advertising on the need for private rental market regulation demonstrates that relying increasingly on private rental stock to house Victorians is deeply flawed. Private renters are not accessing their existing rights under current legislation due to the fear of eviction. Increasing controls does not address lack of supply of affordable, secure housing to those constantly on the margins due, at least in part, to high costs of accommodation.

9. Further decreasing housing stock is utterly inexcusable. Selling off public housing land is deplorable as it robs future generations of the capacity to even try to improve the supply of safe, affordable housing that underpins community wellbeing as we have known it over the last 80 years.

Conclusion

Over the next twenty years this city which has seen much prosperity must prepare for the realities of growing adversity and greater gaps between those able to afford secure housing and those that cannot.

This requires

1. Discussion on the fundamental principles to guide public investment to secure the basic human right to safe, affordable housing.
2. Seeking best practice models from elsewhere has not yet yielded any reduction in waiting lists in

- Melbourne/Victoria (eg Kensington and Carlton). The issue is to clearly state what problems are being addressed and taking measurable steps, towards solutions. Financing and construction are best separated. Engage local experts and communities, all relevant sectors of the public service in solution finding.
3. Involvement not only of the State government but all governments with roles in financing (Federal) and state and local government roles in planning, site purchases, protection, governance and management.
 4. Fully transparent consultations and genuine involvement of the affected and interested communities along with Government in decision making on housing strategies and planning generally and particularly for public and social housing.
 5. If none of this is deliverable, at an absolute minimum, preserve the existing public land and improve governance and management of existing housing.

--

File1:

File2:

File3: