

National Housing and Homelessness Plan
Department of Social Services
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ACT 2601

COTA Tasmania's Response to Housing and Homelessness Action Plan

COTA would like to thank the Minister for the opportunity to contribute to this important topic. COTA staff also attended the in-person forum in Launceston on September 28th where many of the issues noted below were discussed.

Inherent to the conversation about housing and homelessness in Australia is the need to change the rhetoric that those seeking support with housing have created their housing problem. It is never more evident that access to, and maintaining safe housing options, is a multifaceted and complex issue that requires commitment from various organisations, businesses and all levels of government in order to ensure that Australians can access safe, reliable housing. Appropriate shelter is a fundamental need and without this, impacts all other areas of life.

COTA plays a key role in supporting and advocating for the rights of older Tasmanians. Tasmania has the fastest aging population in the country, with 40.9% of our population being over 50 years of age. As a consequence, Tasmania can be seen to be experiencing the brunt of emergent housing issues facing older people. In addition, for the past two decades Tasmania has the lowest rental vacancy rates (below 1% of available homes) and record high rental increases and skyrocketing house sale prices making entry into both the rental and home ownership markets difficult. Tasmania now has the fourth highest rate of homelessness in the country.

Notwithstanding the statements contained within the Issues Paper, the make-up of Australia's housing and homelessness population are changing. So too is the make-up of Australia's private rental sector and those who have tenure through home-ownership and mortgage provisions.

The number of people experiencing homelessness in rural areas is increasing. In March 2023, 79,000 people across Australia accessed crisis support services relating to accommodation. The number of international visa holders accessing crisis accommodation and income support services is also increasing. In 2018, eighteen percent (18%) of people renting were single older women on low incomes, a cohort that is in danger of slipping into chronic homelessness. The number of older homeless women in Australia increased by over 30% between 2011 and 2016 and is predicted to increase significantly partly due to the

hidden nature, stigma and shame for this cohort who may have worked and contributed to the economy all their lives.

The changing housing and homelessness environment is under recognized within the Issues Paper. Without placing these changes front and center of a discussion into housing and homelessness, future policies and settings will miss the mark and an opportunity to create an economically stable, healthy, educated and safe population will be lost.

The Commonwealth has reported that they are responsible for national policies affecting economic settings, financial regulation, migration and income support policies. These policies, settings and regulations have a significant effect impact on housing affordability for all Australians. Australians need a housing sector that provides safety, security and stability, as well as the ability to control your living space, and maintain community connections such as social networks, health care and other long-term supports.

COTA's response to the questions posed in the issues paper is outlined below.

1. How can governments and community service providers reduce homelessness and/or support people who may be at risk of becoming homeless in Australia?

The current focus on crisis accommodation is reactionary. By the time people need crisis services, they have already slipped into secondary or tertiary homelessness and into primary homelessness. There are many and complex reasons why people find themselves at risk of homelessness. Some can be approached from the lens of investment in infrastructure and ensuring processes are streamlined. Others require a systems framework approach, looking at the varied and complex social issues that can influence a person's life journey, including their housing situation. Both require PROACTIVE planning and funding, with a genuine interest and commitment to learning from the lived experience of those facing homelessness and housing stress.

- There needs to be a greater ability for people currently in crisis accommodation to move out of it and into social and public housing in order to create space within the existing crisis centres to support incoming people. Increasing rental support will assist in loosening this known block to crisis accommodation.
- Crisis accommodation and service provision need to be extended to rural areas where there is a growing need particularly among older people forced out of accommodation options within major cities and towns.
- Single women in the 50+ age group who do not have complex health or other key indicators are often locked out of crisis accommodation due to an availability shortage. They are more likely to couch surf, bed rent or stay with family and friends in overcrowded conditions. Targeted crisis accommodation services that recognise the hidden nature of homelessness for older women need to be in place.

- Greater rental support to keep people in their current accommodation combined with the ability for people in this age group to earn and keep more of their income will assist in this;
- While there will always be a need for crisis services, due to sudden changes in circumstances (e.g. domestic violence, climate change and natural disaster) many people are slipping into secondary and tertiary homelessness due to a basic lack in income support. Current Centrelink limits on earnings are contributing to increased pressure on crisis accommodation.
- Social support payments need to be raised and the income earning ability before sanctions increased.
- Currently there is an inadequacy of rental assistance and its inability to keep track with rental costs. In particular, COTA is concerned that as single, older, long-term renters leave the work force and move into retirement their ability to service rent on their home declines markedly. This places them in a high-risk category of becoming homeless. The limits placed on this group around working due to both ageism in the workplace and the loss of income support or pension if working more than a day or so a week only add to the insecurity of their living.
- Any financial hit later in life has far greater consequences than a similar hit for those 40 and younger. The ability to recover is significantly reduced and results in a significantly higher homelessness risk profile as a consequence. Targeted wrap around services need to be available for the 50+ age group including centralised access to information on housing options, tenancy support and assistance in finding affordable accommodation, as well as links to community and home care services.

2. How can governments, across all levels, best work with communities to support better housing outcomes for Aboriginal and Torres Strait Islander peoples?

COTA Tasmania suggests the following:

- Listen to what indigenous populations want and work with them to develop creative solutions that are place based and culturally safe.
- Focus on implementing key planks outlined within *Closing the Gap* suite of documents;
- The plight of older indigenous women living in rural settings and who are often full and part time carers for younger relatives and extended family needs to be acknowledged. They provide a significant and necessary social good in significantly overcrowded conditions while on low incomes and forgoing the opportunity to access employment elsewhere. This diligent group of elders should be paid appropriately and their families housed appropriately. At present they are not.

3. How can all levels of government, along with housing organisations, institutional investors, not-for-profits, and private industry, **improve access to social housing, which includes public housing and community housing?**

- Over the past 40 years, public housing stock has been sold off and that money has not been reinvested into new housing or the upgrading of the residual housing stock to meet current living and environmental standards at the same time that overall rental need has increased. This has created a dearth of suitable housing stock available to meet the needs of existing Australian residents with long wait times stretching into years and in some cases decades for access to public, social or affordable housing.
- Supply of new public and social housing needs to be substantially increased to meet the needs of our existing population. **Tasmania is currently on target to meet today's need in 12 years time.** This does not account to predicted population increases.
- Stock of public and social housing needs to be located where people want to live and within walking distance to local services with available transport infrastructure;
- Stock of social and public housing needs to meet the needs of an aging population and be all ability modified;
- Greater flexibility to allow pets within social and community housing tenancy contracts. Pets are a huge emotional support and restrictions on allowing pets within social and community housing impacts on peoples wellbeing and limits the options available.
- Targeted programs for the upgrading of existing stock to meet new environmental and living standards need to be in place;
- Streamlined application processes need to be in place that allow prospective tenants to not loose their 'wait time years' when moving intrastate or interstate as this often occurs for altruistic reasons and caring obligations which save tax payer money.
- Institutional investors such as superannuation companies should be encouraged to invest in social and affordable housing particularly for those in need and those who invest in those superannuation needs.
- Larger businesses and government departments should be re-encouraged to supply housing for their employees. This was an integral part of growing Australia's housing stock and meeting the needs of low-middle income employees pre 1980's with many suburbs established that way. Employer sponsored or supplied housing formed an integral plank for placing key workers such as nurses close to hospital settings.
- Philanthropists and philanthropic institutions could be encouraged to broaden their focus to include the provision of housing solutions rather than concentrating on almost exclusively on disease eradication and industry needs.
- There needs to be greater support and emphasis on supporting people in their existing tenures before they slip into homelessness particularly for those in the 50+ age group. Older people experience agism at a greater rate than the rest of the

population. This affects all areas of their life from access to health solution, employment and training and housing, including access to home ownership schemes and rental housing options.

- There is a significant level of under reported hidden homelessness among older age groups as this group is more likely to experience stigma associated with homelessness and shame in requiring assistance at a time when they feel they should have achieved greater stability in their lives.
- Support options should include:
 - A greater focus needs to be placed on supporting older people and older women in particular into home ownership through government backed shared equity loans, supported higher rental co-payments and through access to their superannuation contributions for home purchase where no other option exists;
 - Shared equity loans should allow older people to purchase additional equity, or sell some equity in times of hardship.
 - Expand of the KeyStart shared equity program across Australia.
 - Financial advice to tenants and mortgagees finding it difficult to make payments needs to be more widely available and promoted;
 - Short term financial loans with no interest payable on loans to meet the needs of housing costs;
 - Supply of government backed home loans to those earning less than \$100k per annum where they are able to demonstrate the ability to make mortgage repayments and have sufficient equity for a deposit. Many people in the 50+ age group fall into this category after relationship breakup but are unable to access mortgages through traditional methods particularly if they have experienced relationship breakdown and divorce.
 - Investment in Intergenerational Home share programs should be piloted across Australia. Such schemes like those in Denmark, support both ends of the generational spectrum access to affordable housing whilst also providing social connection and as a consequence, also help to challenge ageist stereotypes and create more inclusive community.

4. What should governments, private industries, the not-for-profit and community sectors focus on to help improve access to housing and housing affordability in the **private market?**

- Increased supply of homes that are suitable for an aging population to enable people to age in place with appropriate modifications built into design
- Incentive programs are needed in order to work with private landlords to ensure property modifications can be arranged and enable older tenants to remain in their homes and age in place.

- Require private developers to set aside minimum numbers of homes that meet the parameters
 - for social and affordable housing
 - for age appropriate housing
 - for disability housing
- Greater oversight and regulation of the strata and retirement industries to ensure that those in the 50+ age group downsizing into these types of tenures are able to:
 - Understand their contracts;
 - Understand their financial obligations for the length of tenure and their lack of an ability to influence these costs;
 - The ease with which they can cancel the contract and what that means for them financially;
 - Estimate their ongoing yearly and periodic financial obligations and the quality and quantity of services that they are required to pay for.
- Ongoing maintenance costs including land tax and strata contributions are often high and strata and can present a significant outlay. Strata Australia currently recommends setting aside \$15-18,000 per annum for high rise strata fees. This amounts to 65% of the aged pension but unlike rent there is currently no income support for this though previous governments have encouraged downsizing into 'maintenance free' apartments.
- An expansion of cooperative housing models should be supported by government, private investors and social housing providers particularly where aimed at 50+ age groups and in well serviced areas that meet the needs of all Australians.

5. How could governments work better with industry, community services and other organisations to **improve housing outcomes for all Australians?**

- Standard contracts for real estate sale and rental agreements across all states.
- Increasing the sanctions for owners who leave residential property empty longer than 3 months.
- Restrict short term rentals and move standard rental contract periods to 3-5 year terms in order to reduce the burden of moving costs on the private rental population and create more settled communities.
- There has been media and academic attention on super funds to invest into build to rent schemes. It is widely acknowledged that people entering retirement owning their own home are less likely to live in poverty. As a consequence, there should be targeted interventions that allow people to access their super contributions for the purposes of moving into and maintaining home ownership provided that funds released from any subsequent sale of the owner-occupied property is returned to



the superannuation fund balance. This is similar to a home equity scheme except that it leverages the individuals' assets rather than government equity.

6. How can governments and the private and community sectors, help to improve sustainable housing and better prepare housing for the **effects of climate change**?

- All levels of government should work together with insurance agencies to identify areas of land that are subject to the higher climate change risk – e.g. flooding, landslide, erosion and bush fire.
- There needs to be an outright ban on development of housing stock on land subject to risk of landslide, flooding, erosion and bush fire.
- Where property is already located within these areas,
 - a blanket ban on further development of the property should exist unless it is to future proof for climate change;
 - Explicit messaging highlighting the risks associated with these properties should be available at sale and rental of the property
 - Governments, including local governments should not be required to provide constant mitigation of the effects of climate change for property owners such as sea wall protection from an agreed future date.

7. Is there anything else you would like to tell us?

- COTA is concerned at the narrowness in the levers outlined for use by federal government. Many of the statements outlined in the Issues Paper are disputable and in contrast to the statistical information collected elsewhere.
- State based differences are not highlighted and the focus appears to be on younger populations in large states.
Other considerations and comments
- There needs to be significant structural changes that address gender pay and workforce patterns that keep older women in poverty throughout their lives as these are likely to be continuing drivers of economic insecurity for future generations of women.
 - Superannuation paid on parenting payments and maternity leave entitlements.
 - No fees paid on superannuation balances of less than \$100,000;
 - Higher rates of superannuation paid by employers for employees at or below the minimum wage rates.
- Australia's migration policies have exceeded expectations. We are likely to meet our expected 2050 population increase within the next 10 years. The unexpectedly high rate of migration has placed additional pressure on housing stock leading to overcrowding not seen since the 1950's. While Australia relies heavily on migration

to meet our low income service industry needs, including in child, aged and disability sectors, in reality this is little more than entrenched white-colonialism that seeks to place overseas workers from poorer countries into poverty like conditions within Australia:

- Employers who seek to bring in migrants to meet the needs of their businesses should be encouraged to supply new housing for those migrants and short term visa holders, thus taking some of the heat from the private rental and owner occupier market;
- The rental rate of supplied housing should not exceed more than 30% of the visa holder's income;
- The supplied home should not be in overcrowded conditions where bed rental rates apply rather than room rental per person;
- Current government discourse places the need to solve Australia's housing crisis on older generations by expecting them to upsize their homes to accommodate multi-generational households while at the same time expecting them to downsize in order to make way in mid and inner ring suburbs for redevelopment and younger generations. The two discourses are not complimentary and neither serve the needs of an aging population that requires easy access to services in order to maintain health. This includes access to aged care packages:
 - Older generations have a right to age in place;
 - Have equal access to services such as transport and health services;
 - Have a greater reliance on in home services not easily available in rural or outer ring suburbs.
 - The blame game needs to be stopped as it is a form of age discrimination.
- Cooperative housing models are currently under-utilized in Australia though the demand for them is rising particularly for older populations where residents feel safer and security of tenure greater than in the private rental markets. It can reduce housing expenses, increase social and community engagement and provide access to more amenities.
- As (Former) Age Discrimination Commissioner Hon Kay Patterson asserts, single women in the 50+ age group on low incomes face increasing discrimination and are likely to fall into homelessness once employment is lost due to an inability to pay rent or meet other financial obligations. A government that fails to meet the basic income needs of this cohort is compounding and entrenching age discrimination of a population that has contributed to the country's economic for significant periods of their life.
- The plight of older people is underplayed within the Issues Paper and the difficulty older people being able to receive aged care packages for example within unstable housing environments is not mentioned. This highlights a lack of understanding of the interrelationship of housing, aging and key government platforms.