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Federal Government needs to address lack of social housing, not put national funding at risk for housing and homelessness services

The Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017 introduced into Federal Parliament today, fails to guarantee urgently needed additional federal resources for housing and homelessness and presents the risk of funding cuts, says Homelessness Australia and National Shelter.

“Despite holding most of the policy levers driving homelessness and the housing crisis – social security, rent assistance, taxation, and federal funding of social housing – the federal government is seeking new powers to cut funding if the states and territories don’t meet federal demands to reduce homelessness,” says Jenny Smith, Chair Homelessness Australia.

“This looks like a Government that is looking to spend less on an urgent social problem, instead of finding a solution.”

The Bill provides a framework to pass responsibility for increasing social housing supply to the states and territories without any additional funding.

“Without any extra resources, the Federal Government will hold a sword of Damocles over the heads of the states and territories – if they don’t achieve significant increases in social housing. This law will enable the Federal Government to cut the current limited federal funding provided to them”, says Adrian Pisarski, Executive Officer, National Shelter.

“We urgently need the Federal Government to step up to the plate and work with the states and territories to put the necessary investment on the table to solve the appalling lack of availability of social housing – instead they are simply throwing the plate at the states and territories and placing unnecessary pressure on the overwhelmed service system,” Mr Pisarski said.

“We urge the Government to work with the States to examine the transparency and accountability of the NHHA, and not abandon our most vulnerable citizens when times are tough. We urgently call for an adequately resourced national housing affordability strategy and more investment in social and affordable housing and homelessness services.”

In the May budget, the Federal Government confirmed its ongoing commitment to maintaining \$1.3 billion funding towards social and affordable housing, \$275 million of which is allocated for homelessness programs, and its \$115 million towards homelessness services through the development of a National Housing and Homelessness Agreement (NHHA).

This announcement was welcomed by housing and homelessness service providers as this funding had previously been at risk of being cut and was being renewed on a year by year basis. However, service providers noted that this would not address the current demand for social and affordable housing and increase in homelessness as it was simply maintaining existing funding.

Last year 279,000 Australians sought assistance from homelessness services – 1 in 85 and there are over 200,000 people on social housing (public and community housing) waiting lists nationally.

“Homelessness services are currently struggling to provide the main outcome clients need – which is long term affordable housing,” said Jenny Smith, Chair of Homelessness Australia.

“To have funding withheld or under threat because this outcome has not been met when there is a lack of investment in social housing and increasing private rental costs due to Federal Government policy settings, is beyond belief.

“While the Government chips away at the incomes of those on the very lowest rungs, it is simultaneously creating barriers for services that support those that most need a safety net,” Ms Smith said.

“The alternatives being mooted by the Federal Government are just re-arranging the deck chairs, and should be introduced in addition to current funding.”

Interviews: Available with Homelessness Australia chair Jenny Smith and National Shelter executive officer Adrian Pisarski.

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