

**Providing a voice for  
low income households  
[www.shelterwa.org.au](http://www.shelterwa.org.au)**

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**Presentation to WA TAFE Students  
Thornlie Campus  
April 2008**

# Shelter WA: Who we are

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- Shelter WA formed in 1979
- Not For Profit, Non Government Organisation
- Peak body representing low income and otherwise disadvantaged households
- Funded by Government (DHW / CSHA)
- Management Committee meets monthly
- Promotes accessible, affordable, appropriate and secure housing for every person
- Researches housing issues and advocates policy responses based on collaboration and consultation with community organisations and consumers
- Shelter in all States and Territories. Together form National Shelter – undertakes and co-ordinates research and policy input at federal level

# Key projects

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Shelter WA has delivered the following projects in 07/08:

- State of Affordable Housing presentation (2007)
- Creating Room in the Boom Campaign (2008)
- Forum Financial Counsellors and Emergency Relief Armadale (02/08)
- Forum Housing Crisis Committee for CaLD - Refugee and Humanitarian Entrants (02/08)
- Scoping the Capacity of Indigenous Community Housing Organisations (AHURI) (04/08)
- Homelessness and Overcrowding Survey in Broome (12/07)
- A Review of Successful International Responses and Strategic Frameworks for Homelessness (03/08)

# Representation & Participation

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- Govt and NG committees
- Tenants Advice Service and WACOSS
- Peaks Forum
- Human Services Industry Roundtable
- Housing Crisis Committee for CaLD
- Creating Room in the Boom Campaign
- Centrelink Consultative Committee
- Peel Affordable Housing Steering Committee
- DOCEP review of Incorporations Act
- EOC Terms of Reference - submission
- Senate Select Committee - submission
- Presentations to Groups and Organisations
- Media statements

# THE HOUSING CRISIS

## Factors contributing to housing shortage for low income consumers

- **mismatch** in household and dwelling types
- **Govt incentives favour investment at top end** (negative gearing, tax offsets, home exemption from assets tests)
- **public housing volume contraction**
- population increase not matched by increase in house construction
- rapid increase in house prices fuelled by demand side subsidies (FHOG)
- supply shortage contributing to rent increase

# Affordable Housing – What is it?

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- No universal definition
- **Housing targeted or reserved for people unable to compete in the private housing market.**
- **‘Affordable housing’** a range of housing options for low income households (including shared equity home purchase schemes).
- **Public or State Housing** - housing owned and managed by govt
- **Community Housing** – housing managed by NGO’s either owned by govt or NGO, mostly low cost rental housing, in a particular region, for a special purpose or specific groups. NGO CHP usually receives govt funding or resources including ‘stock transfers’
- **Social Housing includes the above plus emergency and ‘supported’ accommodation**

# Affordable Housing - Who is it for?

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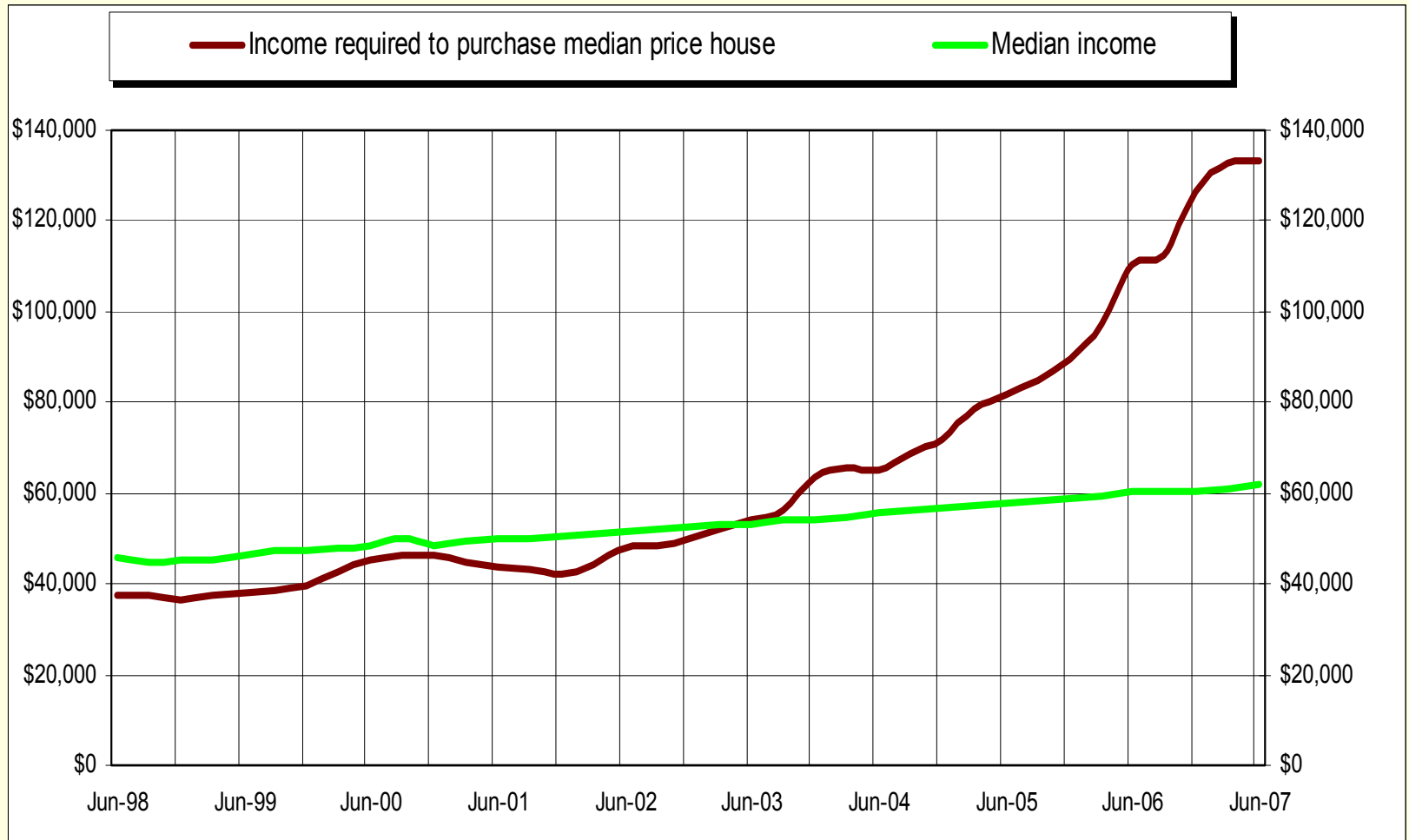
- Incomes in the **lower 40%** of the income range;
- Government provides **housing assistance schemes**
- Intention to ensure low income households pay no more than 30% income in housing costs\*
- **'housing stress' + 'mortgage stress' + 'rental stress'**
- \*Definition of **housing costs** no longer confined to mortgage payments & rent – now **includes costs of heating and cooling** (insulation / orientation), **transport costs** (employment, access to amenities and community facilities)
- Costs related to **location, building design and dwelling quality / upkeep**
- **WA Basix** design standards - reduce carbon footprint

# Social Housing

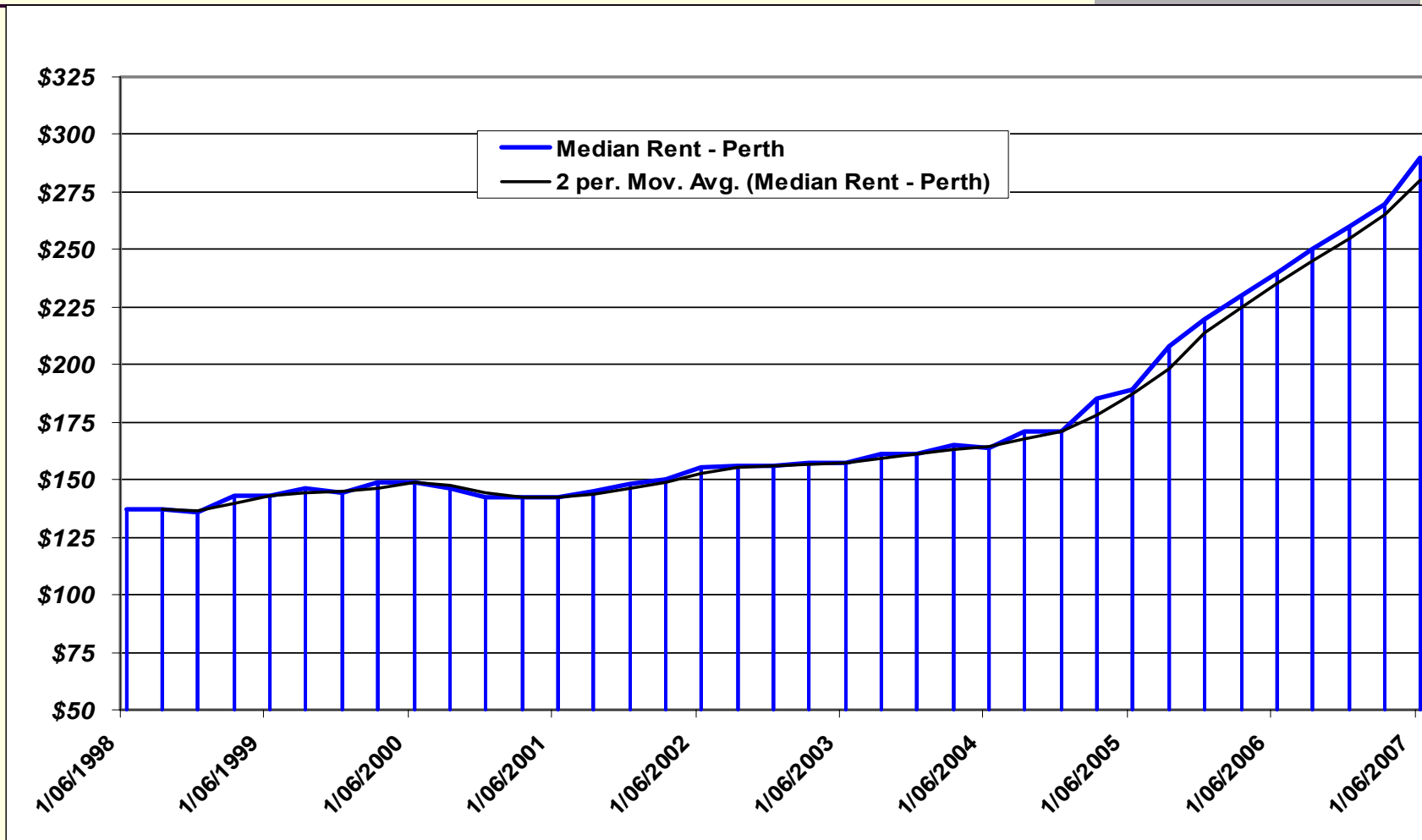
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- Social housing is housing **intended to deliver a 'social outcome'** and includes public housing, community housing, indigenous housing, crisis and emergency accommodation, women's refuges, youth hostels, psychiatric supported accommodation, disability housing and group homes, residential aged care
- In Australia public and social housing is **increasingly targeted at households in greatest need** (unemployed, homeless, mental and physical impairment, women and children escaping domestic violence) - leading to increased need for expensive home modifications, provision of care and support to sustain tenancies, higher risk

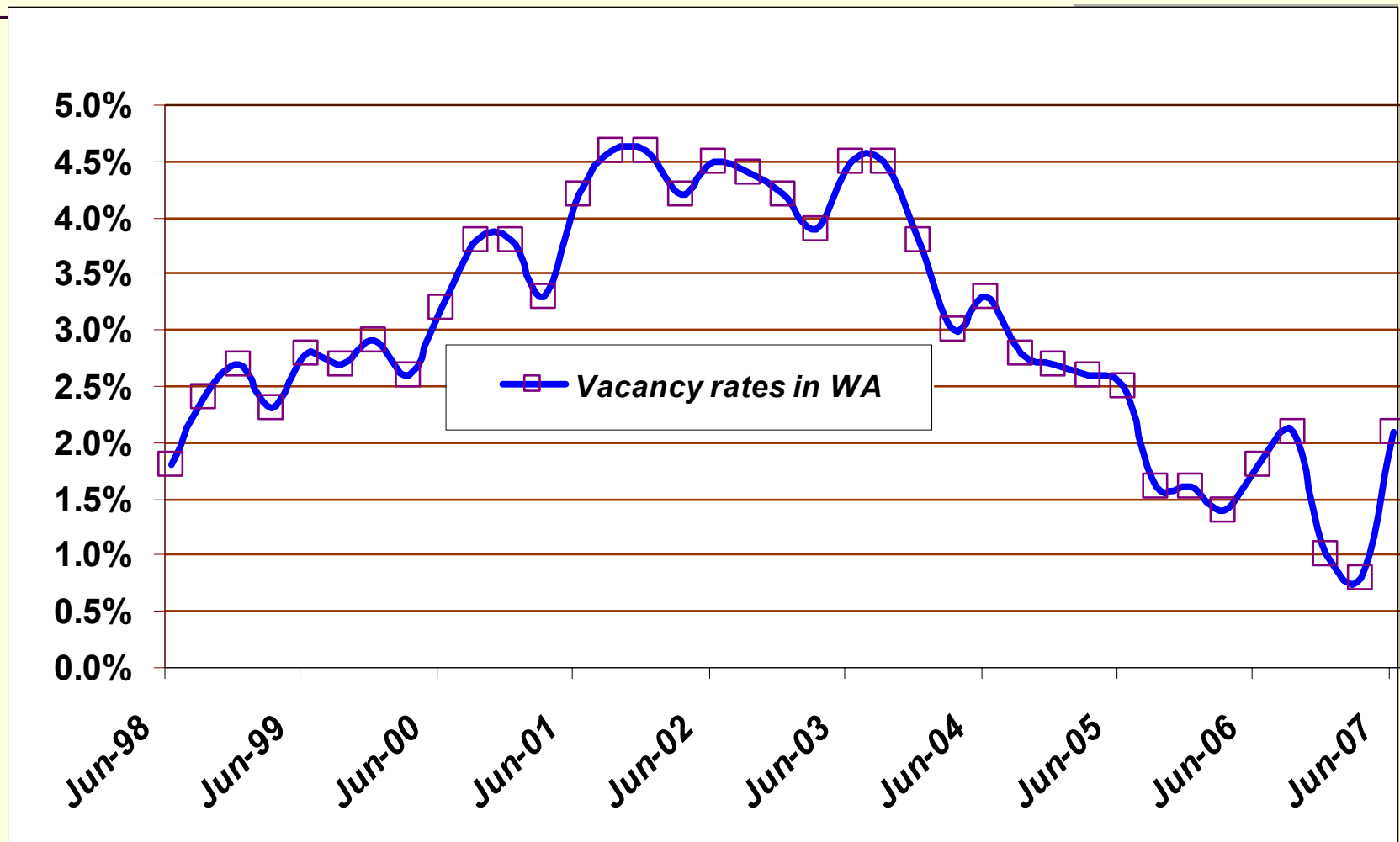
# Buying a House in WA



# Renting a House in WA



# Rental Vacancy Rates in WA



# Affordable Housing - Rental

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- The market has consistently failed to provide enough affordable rental dwellings for low income people and minimum wage workers.
- Now it is failing to provide enough affordable rental for people on median incomes and better.
- Many low income, Centrelink and minimum wage working households paying more than 30% of their household income on rent even after receiving *Commonwealth Rental Assistance (CRA)*
- Interest rate rises impact mortgagees (particularly those who have borrowed to capacity) **and** renters as costs are passed on to tenants but tenants receive no capital appreciation dividend from property sale, people foreclosing mortgages become renters, people not able to purchase a home stay in rental - demand increases

# Community Housing

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- WA current policy to 'merge' 'growth' CH and PH - **development of regulations and CH standards, moving to a common wait list**
- Access to government subsidies (CRA) not available to state housing authorities
- Private rental and CH tenants entitled to CRA
- Means CH can make viable rental income to service property maintenance and repairs, meet costs of local land rates, amenities and caretaker / accommodation manager
- Govt also not able to borrow against assets
- CH can leverage capital for growth

# Community Service Obligation

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- **What is a CSO?** For essential services such as electricity, water and telephone, providers are required to give concessions to low income (usually those with Centrelink HCC). The difference between the commercial price and the amount paid by the recipient of a concession is recognised as a CSO. This is funded by Treasury
- SHA's are required to provide housing for low income households at a subsidized rate.
- Argument that government should provide the SHA with CSO for housing low income households at a subsidized rate.

# Policy Responses

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- Australian governments' moving toward a bi-lateral approach to affordable housing.

## ***National Affordable Housing Agreement***

- Intend to review housing subsidies, taxes, exemptions and grants not currently integrated
- Policy consideration and negotiations undertaken by COAG and the HMF with (new) Federal Housing Minister and Dept Treasury and Finance
- NGO's invited to participate WA - HSIRT, COAG briefings
- Recent developments
  - Senate Select Committee Inquiry into Affordable Home Ownership
  - Land Audit and review of State and LG taxes
  - CSHA & SAAP Agreement being evaluated

# Questions

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Membership of Shelter WA  
Individual or Organisational  
Free Associate Membership  
Management Committee

SWA Update, Newsletters, Information, Forums

Publications on website: [www.shelterwa.org.au](http://www.shelterwa.org.au)

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