



**AASW**  
.....  
**Australian Association  
of Social Workers**

---

## *Position Statement on Housing Affordability*

**August 2015**

© Australian Association of Social Workers  
National Office – Canberra  
Unit 9, Block C, Trevor Pearcey House  
28-34 Thynne Street, Bruce ACT 2617

Enquiries regarding this submission can be directed to:  
**Senior Manager, Policy & Advocacy: Stephen Brand**

[E: stephen.brand@aatw.asn.au](mailto:stephen.brand@aatw.asn.au)

P: 02 6232 3900

AASW Chief Executive Officer:

Glenys Wilkinson

Email: [ceo@aatw.asn.au](mailto:ceo@aatw.asn.au)

## Introduction

---

The situation with regard to affordable housing is deteriorating in Australia and is greatly influenced by a range of policies of both the federal and state governments. Shortages in affordable housing directly affect the health, educational, employment, and emotional wellbeing of individuals, families and communities. Declining housing affordability is associated with an increased risk of homelessness. Social workers are committed to working with individuals, groups and communities to promote the pursuit and achievement of equality in Australian society. Social workers directly assist individuals and families to locate and maintain secure and affordable housing but experience increasing difficulties in achieving these outcomes. Furthermore, social workers are committed to making a prosperous country such as Australia more equitable by advocating for the provision of affordable housing for all.

The deteriorating situation with affordable housing is a sign of growing inequality in the Australian community. This is a cause which the AASW and significant community voices such as the Australian Council of Social Services (ACOSS) and Anglicare have in common. A recent ACOSS report and moving graphic (see their website) has highlighted inequality and its affect on Australian society. The AASW endorses these positions and present this statement as further concern for the people that social workers support.

### Role of social workers

Many AASW members are involved in the delivery or planning of housing support and homelessness services in a range of fields of practice. They work within Specialist Homeless Services (SHS), crisis accommodation, housing information and referral, assistance with care and housing for the aged (ACHA), for youth and with women's refuges. They also work across non-SHS services involved with discharge from hospital and other institutions and accommodation planning.

Social work practitioners working at the direct service level have experience with many clients whose circumstances are exacerbated by the lack of affordable housing. Examples include women and children who are unable to leave situations of family violence, parents who face extensive delays when seeking to be reunified with their children, and people unable to leave temporary accommodation services due to the unavailability of more permanent accommodation. Clients with disabilities and with mental health problems often have particular problems accessing affordable housing. The lack of affordability is undermining the service system by creating bottlenecks in crisis and short-term accommodation services as people are unable to find affordable private accommodation. Social workers in acute health and corrections settings involved in discharge planning also regularly report that many of their clients remain for longer periods than required or are discharged into absolute homelessness due to the unavailability of affordable housing. This can occur when young people leave state care. The result is cycling through services, temporary accommodation, and homelessness for many other clients that can persist throughout their lifetime.

Social workers also undertake research, and practice in social policy development, administration, management, consultancy, education, training, supervision and evaluation within different levels of government and non-government services. This includes developing housing and homelessness policies impacting upon individuals and families experiencing difficulties accessing or maintaining their housing. This work is guided by AASW professional aims of raising awareness of structural inequalities, promoting policies and practices that achieve a fair allocation of social resources and acting to bring about social change to reduce social barriers, inequality and injustice.

## The current situation

Australia's level of home ownership is declining while at the same time house prices continue to rise. Home ownership is the most common and most desired form of housing in Australia. The 2011 ABS Census recorded that 67 per cent of Australian households were owner occupiers. The number of households who own their home outright has fallen since 1996 from 40.9 per cent to 32.1 per cent, while the number of households who own their home with a mortgage has increased from 25.5 per cent to 34.9 per cent.<sup>1</sup> Average house prices are now 4 times the average annual household earnings and in Sydney and to a lesser extent in Melbourne, recent reports increase this to 6 times.<sup>2</sup> This in turn puts pressure on the rental market, with 80% of private rental households earning the lowest 20% of incomes paying more than 30% of their income in rent-housing stress.<sup>3</sup> There is also a concern that Australia is currently simply not building enough new housing stock. Negative gearing of income from property was originally advanced as a policy to encourage investment in increasing housing stock. However over time it has been reported that there has been unforeseen negative impacts on the housing market by forcing up the prices of established houses as more and more investors enter the market crowding out buyers who wish to buy for their own use.<sup>4</sup>

Allied to this problem is the decline in investment by Governments in social housing which has been ongoing for nearly 25 years. This has led to very long waiting lists and the targeting of social and affordable housing to highly disadvantaged tenants with complex needs.<sup>5</sup> Furthermore, the lack of social housing and affordable housing options for low income earners has resulted in the use of boarding houses, caravan parks and tents as long-term shelter for some people.

A further pressure for low income earners has been the ongoing decline in the comparative rate of Commonwealth Rent Assistance (CRA). Over the last decade the CRA rose by 31% while rents rose by 54%.<sup>6</sup> This affects some 1.3 million individuals and families who rely on CRA to help pay the rent.

For the majority of household and income types captured in the recent Anglicare rental snapshot, access to affordable and appropriate rentals was very poor or negligible. This is particularly the case for those living on any form of income support, who are essentially priced out of the private rental market, and are thus particularly vulnerable to housing and financial stress, and potential homelessness. Young people and young families living on the Newstart Allowance have little to no access to affordable/appropriate rentals in both metropolitan and regional areas. While the most immediate effect of the decline in housing affordability is homelessness for some, the more insidious effect is the trapping of many households in poverty from which there seems little hope of escape.

## Policy change in a number of areas required

The Australian Council of Social Services (ACOSS), the Community Housing Federation of Australia, Homelessness Australia, the National Association of Tenants' Organisations and National Shelter have released a comprehensive plan to address the issue of housing affordability entitled [An Affordable Housing Reform Agenda](#). The major priorities of this agenda include:

- Reforming the tax treatment of housing to remove distortions and improve affordability

<sup>1</sup> [http://www.ahuri.edu.au/themes/home\\_ownership](http://www.ahuri.edu.au/themes/home_ownership)

<sup>2</sup> Fox, R. & Finlay, R. (2012). Dwelling Prices and Household Income. *Bulletin*. Reserve Bank of Australia. p.15. Available at <http://www.rba.gov.au/publications/bulletin/2012/dec/pdf/bu-1212-2.pdf>

<sup>3</sup> Hulse, K., Reynolds, M., and Yates, J. (2014). Changes in the supply of affordable housing in the private sector for lower income households, 2006-2011. AHURI. p.2. Available at [http://www.ahuri.edu.au/publications/download/ahuri\\_51018\\_fr1](http://www.ahuri.edu.au/publications/download/ahuri_51018_fr1)

<sup>4</sup> The effect of the tax system on housing affordability. Australia's future tax system: Final Report. [http://taxreview.treasury.gov.au/content/FinalReport.aspx?doc=html/publications/Papers/Final\\_Report\\_Part\\_2/chapter\\_e4-3.htm](http://taxreview.treasury.gov.au/content/FinalReport.aspx?doc=html/publications/Papers/Final_Report_Part_2/chapter_e4-3.htm)

<sup>5</sup> An Affordable Housing Reform Agenda: Goals and Recommendations for Reform. (2015). p.11. Available at [http://www.acoss.org.au/images/uploads/Housing\\_paper\\_March\\_2015\\_final.pdf](http://www.acoss.org.au/images/uploads/Housing_paper_March_2015_final.pdf)

<sup>6</sup> A New System for Better Employment and Social Outcomes: Final Report. (2015). p.58. available at [https://www.dss.gov.au/sites/default/files/documents/02\\_2015/dss001\\_14\\_final\\_report\\_access\\_2.pdf](https://www.dss.gov.au/sites/default/files/documents/02_2015/dss001_14_final_report_access_2.pdf)

- Public and private investment in new affordable housing to address the shortfall in affordable housing stock
- Reform of urban planning, land and building regulation to retain, promote and create affordable housing
- Increasing the maximum rate and improving indexation of Commonwealth Rent Assistance to relieve rental stress
- Reforming tenancy protections to provide more security for renters
- Adequate and consistent funding for homelessness services to ensure we meet our goal of halving homelessness by 2020.

The AASW endorses and supports this comprehensive and systemic approach to policy change. Major reform is now required if Australia is not to become an increasingly inequitable society in which some make large profits from the housing market while others are homeless or trapped in needless and ongoing poverty caused by artificially raised housing prices and rents.

### **Specific change agenda**

The AASW supports the call by Anglicare Australia<sup>7</sup> for a national plan for affordable housing, which includes the following five key priority areas:

#### **1. Recognise income inadequacy as a barrier to secure housing and meaningful social participation**

- Increase the rates of Newstart and Youth Allowance and their indexation to keep pace with living standards and housing costs.
- Undertake a review of the Commonwealth Rent Assistance and its effectiveness in protecting against the increasing costs of rent.

#### **2. Create a tax system that makes affordable housing more available**

- Redirect negative gearing towards growing the supply of affordable housing, and improving its quality.
- Review the impact of other taxes, such as stamp duties and land taxes, on housing for low income households.

#### **3. Increase social housing stock sustainably and responsibly**

- Increase social housing stock.
- Renew old stock in a timely manner in order to avoid greater costs later.
- Encourage state/territory governments to transfer title along with the asset in the transfer of social housing stock.

#### **4. Increase housing stock that matches changing population needs**

- Increase supply of affordable housing, including public, community and other low income rental properties.
- Ensure new housing stock reflects the changes in Australia's population: age, culture, single person households, fewer children per family, etc.
- Modify and design housing to account for the needs of people, as they age or live with disability.

---

<sup>7</sup> Anglicare Australia, 2015, *Anglicare Australia Rental Affordability Snapshot*, Canberra

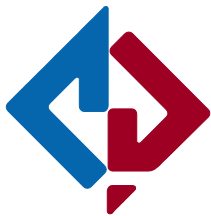
## **5. Federal Government to take national leadership and work in collaboration with the community sector**

- Recommit to independent expertise and impartial advice on housing supply and homelessness strategies.
  - Sustain housing incentive schemes over the long term to allow investors, including superannuation funds, to commit the necessary funds.
  - Gain Commonwealth acceptance of its leadership role in terms of coordinating and pursuing a cohesive national housing strategy.
- 

## **Conclusion**

---

Reduced housing affordability affects the individuals, families and communities that social workers work with in almost every field of practice. It particularly disadvantages those attempting to leave situations of family violence. Though complex, there are solutions available to solve Australia's low rate of housing affordability. The AASW is committed to working with others in the community to address this important equity and human rights issue.



**AASW**

.....  
**Australian Association  
of Social Workers**

T 02 6199 5000  
F 02 6199 5099  
E [ceo@asw.asn.au](mailto:ceo@asw.asn.au)

**National Office**

28-34 Thynne Street, Bruce ACT 2617

**Postal Address**

PO Box 4956, Kingston ACT 2604

**Incorporated in the ACT**

**ACN 008 576 010 / ABN 93 008 576 010**