

QCOSS Position Statement on Housing

Our position:

Queensland Council of Social Service (QCOSS) believes that everyone has a right to housing. Yet not all Queenslanders have access to stable, affordable and suitable housing.

- Housing provides more than physical shelter, it allows for safety, security, privacy, identity and social inclusion.
- Access to affordable housing is the foundation on which Queenslanders build socially engaged and economically productive lives.
- Stable housing positively influences the welfare of households, including health and wellbeing, education, employment, economic and social participation outcomes.
- There are diverse, positive housing stories, experiences and solutions in Queensland communities.
- Housing must be prioritised as shelter, before speculative investment. Treating housing as a commodity has distorted the housing market and policy priorities, negatively impacting on housing affordability.

Recommended actions

QCOSS asks:

1. **Establish Housing Leadership** - *Federal:* Federal Housing Minister, Department, Strategy, Statutory Body and COAG priority. *State:* Queensland Housing Strategy, Ministerial Housing Council, and the Housing and Homelessness Research Alliance.
2. **Reform Tax Incentives** - *Federal:* Limit tax incentives such as negative gearing and CGT discounts, and divert savings to supply of social housing. *State:* Transition stamp duty to a land tax.
3. **Increase Incomes** – *Federal and State:* Implement policies that increase employment and wages. *Federal:* Increase income support such as Newstart and Commonwealth Rent Assistance.
4. **Reform and Invest in Social and Affordable Housing** - *Federal:* Fund capital and operating expenses of social and affordable housing. Relaunch an improved NRAS. *State:* Support community housing sustainability.
5. **Improve Land Planning** - *State and Local:* Plan adequate infrastructure / transport, and access to economic / social opportunities. Implement inclusionary zoning and mixed tenure. Implement targeted shared equity schemes.
6. **Protect Renters** - *State:* Improve legal protections for tenants in private rental including: fairer tenancies, prompt return of bonds, more secure tenure, prevent eviction without grounds, implement minimum standards, limit rent increases and fund advocacy.
7. **Reform Homelessness Programs** - *State:* Properly fund homelessness services, transition them to 'Housing First'.
8. **Innovate Specialist Housing** - *Federal:* Implement secure, long term, indexed funding for disability housing, remote indigenous housing, DFV shelters, mental health and other forms of supported and emergency accommodation. *State:* Relax regulatory barriers to diverse, alternative, community-based housing solutions, such as tiny houses, co-ops, and share-housing.

Rationale

Safe, secure and affordable housing is under significant, sustained stress in Australia. Housing affordability is in decline, as evidenced by escalating housing costs, widespread housing stress, long social housing waitlists and unacceptably high levels of homelessness.

- **Cost of home ownership escalated** – Real house prices have quadrupled since 1970, and increased by 250% since 1990. The ratio of median housing deposit to median wages has increased from 3.3 years in 1981, to over 8.2 years to earn a deposit in 2017.
- **Widespread housing stress** – Defined as those on low incomes (bottom 40%) spending more than 30% of their income on housing costs. Across all capital cities, both the median house and unit price exceeded the calculated maximum affordable dwelling price for the median income rental household. Only households with at least two minimum wages can afford to rent from the Brisbane private rental market without placing themselves into undue financial stress. All other low-income households (families, couples and singles) need to spend considerably more than 30% of their weekly household income to rent from the Brisbane private rental market.

- **Long social housing waitlists of mostly high needs applicants** – In 2016, there were around 195,000 households on social housing waiting lists. Both the waiting lists themselves, and the wait times for many households, are very long. public rental housing tenants often are given a limited number of offers at the time of allocation and if refused, they may risk their place on the waiting list.
- **High levels of homelessness** – In 2016, more than 116,000 men, women and children in Australia were estimated to be homeless, up from 102,000 in 2011, (ABS, 2018). More than 280,000 Australians were supported by homelessness agencies in 2016–17, with 30% of clients' needs going unmet (PCA, 2018b).

The housing system has been distorted by treating housing as a speculative commodity.

Australian housing is a complex social and economic system, involving individual, business and community values and choices. This is impacted by a range of social and economic policy measures in areas as diverse as employment, transport, taxation and income support, as well as traditional housing policy areas of social housing, rental tenancies, housing finance and construction.

- **Housing as a speculative investment commodity** – Housing policy has been distorted by prioritising housing as a speculative investment commodity, over the human right of shelter. Speculative investors entering the housing market, have contributed to rising real house prices (Duncan, Hodgson, et al, 2018; AIHW, 2017).
- **Impact of tax treatment** – Tax expenditures have a substantial impact on the equity and efficiency outcomes of Australia's housing system, with the greatest assistance going to high-income and high-wealth households (AIHW, 2017). The treatment of negative gearing and capital gains tax are the underlying cause of speculative inflation in the housing market (Martin, Hulse, 2018).
- **Not just a Supply Problem** – The lack of affordable housing is a leading cause of homelessness. However, the solution is not simply to 'build more houses', which do not instantly 'trickle-down' to affordable dwellings. There are an increasing number of second homes and under-utilised homes (Pawson, Randolph, et al, 2015), including twice as many empty dwellings as there are people experiencing homelessness (Cashmore, 2015; Fitzgerald, 2015).
- **First home owner schemes help owners not ownership** – Multiple studies have shown that first home buyer schemes contribute directly to the further price inflation (AIHW, 2017; Trenwith, 2011; Yates, Ong, et al, 2017; Daley & Coates, 2018).

The following policy responses necessarily engage all three levels of government, as well as private, not for profit, and academic organisations. Increasingly, local communities are also developing innovative place-based responses to housing needs. The QCOSS housing position statement is a holistic, integrated and comprehensive response to declining housing stability and affordability.

Detailed Actions

1. Establish Housing Leadership

Context: *Fragmented housing system left to the market, lacking policy and program coordination, funding and priority. This leads to poor housing outcomes of decreasing affordability, and increasing housing stress, insecurity, social housing waitlists and homelessness. This impacts negatively on people's social and economic wellbeing.*

Recommended actions:

- *Federal and State:* Governments partner to take joint responsibility at COAG in delivering integrated policy responses implementing all eight domains in this policy framework.
- *State:* Implement the Queensland Housing Strategy including ongoing research and consultation with the sector through the Queensland Ministerial Housing Council, and the Housing and Homelessness Research Alliance.
- *Federal:* Establish a Federal Housing Department and Minister, and develop a National Housing Plan to include properly funded National Housing and Homelessness Partnerships.
- *Federal:* Establish an independent Housing Statutory Body with power to require housing impact statements from all relevant departments.
- *Federal:* Properly fund Shelter and Homelessness Peak Bodies to represent stakeholders, do research and advocate on policy.

Outcome: *Holistic, integrated policy and program response to declining access to stable, secure and affordable housing, significantly improving housing outcomes and building a foundation for people's social and economic wellbeing.*

2. Reform Tax Incentives

Context: *Generous investment tax incentives distorting housing market, leading to speculative inflation, and reducing housing affordability.*

Recommended actions:

- *Federal:* Phase out generous, distorting tax incentives of Negative Gearing and Capital Gains Tax (CGT) discounts, (and reinvest proceeds in capital and operating costs of social and affordable housing).
- *State:* Transition state stamp duties to a land tax.

Outcome: *Housing prices stabilised, increased availability of and access to affordable housing.*

3. Increase Incomes

Context: *Wage stagnation, unstable employment increasing, income support below poverty line, rental assistance inadequate, all decreasing access to affordable housing.*

Recommended actions:

- *Federal and State:* Increase employment and real wage growth including minimum wage increases, protect workers in the gig economy.
- *Federal:* Increase and properly index Commonwealth Rent Assistance (CRA)
- *Federal:* Increase Newstart allowance by \$75 per week

Outcome: *Improved access to affordable housing through increase incomes.*

4. Reform and Invest in Social and Affordable Housing

Context: *Increasing shortfall in social and affordable housing, inadequately funded housing programs (capital and operating). Long social housing waitlists of mostly high needs applicants. Lag time from planning, construction to occupancy.*

Recommended actions:

- *Federal:* Fund social housing capital and operating costs to reduce affordable housing shortfall and social housing waitlists
- *State:* Support community housing sustainability (consider stock transfers and direct subsidies).
- *Federal:* Re-launch an improved National Rental Affordability Scheme (NRAS)
- *State:* Implement shared equity schemes targeted towards people on low incomes.

Outcome: *Reduce the shortfall of social and affordable housing, sustainable community housing sector.*

5. Improve Land Planning

Context: *Un-coordinated land planning, land zoning not adequately accommodating employment, transport or other infrastructure requirements. Re-zoning windfalls not re-invested in affordable housing.*

Recommended actions:

- *State and Local:* Engage in participatory planning.
- *State and Local:* Ensure transport, employment and local infrastructure requirements are central in land planning and zoning of new developments.
- *State and Local:* Implement inclusionary zoning and mixed tenure schemes so that new developments have a mix of private market and affordable housing.
- *State:* Require consideration of affordable housing in any government land disposal.

Outcome: *Access to adequate quantity of appropriately located land for affordable housing.*

6. Protect Renters

Context: *Poorly regulated private rental market based on a power imbalance favouring landlords over tenants. This leads to insecure tenure, unstable and unfair tenancies, and inconsistent and inadequate maintenance and property standards.*

Recommended actions:

- *State:* Improve legal protections for tenants in the private rental market including fairer tenancy agreements and prompt return of bonds.
- *State:* Provide for more secure tenure, such as preventing evictions without grounds.
- *State:* Legislate minimum rental property standards (including energy efficiency).
- *State:* Limit rent increases for example, investigate capping maximum rental increases.
- *State:* Adequately fund tenant advocacy, tenant participation and community development.

Outcome: *Safe, secure, adequate properties, and fairer and sustained tenancies.*

7. Reform Homelessness Programs

Context: *High levels of homelessness, and high level of need for homelessness services, with insecure funding.*

Recommended actions:

- *Federal and State:* Properly fund homelessness services (secure, long term, indexed), and integrate with housing services
- *State:* Transition homelessness services to a 'Housing First' approach, housing people in long term housing first while supporting them with wrap around services

Outcome: *Reduced homelessness, homelessness services transitioned to integrated, best practice of 'housing first' approach.*

8. Innovate Specialist Housing

Context: *Lack of secure funding for specialist housing services, limited implementation of universal adaptable design in new dwellings, inadequate supportive pathways for seniors to downsize positively, and barriers to alternative forms of community-based housing.*

Recommended actions:

- *Federal:* Properly fund specialist disability accommodation and remote indigenous housing (secure, long term, indexed).
- *State:* Implement universal, adaptable design standards for specialist disability accommodation.
- *Federal and State:* Properly fund emergency DFV accommodation and support.
- *State:* Implement design standards and appropriate downsizing transitions for seniors.
- *State:* Investigate and implement appropriate diverse and inclusive community-based housing specialist solutions eg. mental health, DFV, youth, ex-prisoners, indigenous, remote and regional, seniors, and disabilities.
- *State:* Relax regulatory barriers for diverse, alternative and community-based housing approaches and design, eg. regional housing co-ops, tiny houses, share houses, and marginal housing.

Outcome: *Diverse specialist housing and pathways supported and funded adequately.*

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