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Name of organisation

Australian Federation of Disability Organisations

Q2

Your name

Rebecca Rudd

Q3

Position

Coordinator - Policy and Submissions

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Q10

Describe the experiences of people struggling to access affordable and suitable housing in the context of your organisation's work.

The Australian Federation of Disability Organisations (AFDO) is a Disabled People's Organisation (DPO) run by and for people with disability. We are a representative organisation for population based and disability specific communities and engage in systemic advocacy.

Australia is currently in the midst of a housing affordability and homelessness crisis. Many Australians, including those with disability, live in housing that is precarious, uncomfortable, and unaffordable. Many people with disability also still do not have any real degree of choice over where, or with whom, they live.

Lack of affordable housing is a major driver of homelessness among people with disability. For people with disability, lack of accessible housing is also a critical issue, and one that is further exacerbated by inconsistent adoption of the minimum mandatory access standards in the National Construction Code among the states and territories.

People with disability also face greater barriers to meaningful and accessible employment and incur additional disability-related expenses, making them more likely to be reliant on income support – particularly the Disability Support Pension and JobSeeker Payment. While the NDIS does provide some degree of housing support, it is important to emphasise that only 10% of Australians with disability are eligible for the NDIS

Research has demonstrated that:

- A person receiving the Disability Support Pension (DSP) as of 2021 can afford just 0.1% of private rentals, down from 0.8% in 2012. Given the ongoing and steadily worsening cost of living and rental shortage crises occurring across most of Australia, it can be assumed that this situation has not improved.

(Anglicare Australia (2022) Homes For All: A Roadmap to Affordable Housing. July. Accessed 2 March 2023.

<https://www.anglicare.asn.au/wp-content/uploads/2022/07/Homes-for-All.pdf>.)

- Only 0.3% of 74,300 rental properties, equating to 240 properties total, advertised in Australia on a selected weekend in March 2021 were affordable and appropriate for single people aged 21 and over receiving the DSP, compared with 1.2% (or 860 properties total) for a single person receiving minimum wage. This extreme degree of unaffordability in the private rental market leaves many in danger of homelessness. (Australian Institute of Health and Welfare (2022) People with disability in Australia, Accessed 2 May 2023. <https://www.aihw.gov.au/getmedia/3bf8f692-dbe7-4c98-94e0-03c6ada72749/aihw-dis-72-people-with-disability-in-australia-2022.pdf.aspx?inline=true>.)

- 32% of income units receiving Commonwealth Rent Assistance (CRA) at 30 June 2020 who had at least one member receiving the DSP were in rental stress after receipt of CRA (that is, paid more than 30% of their gross household income on rent); without CRA, 72% of these income units would be in rental stress. This compares with 29% in rental stress after receipt of CRA and 55% in rental stress without CRA for all income units receiving CRA. (ibid.)

Q11

Describe the flow-on impacts of the housing crisis in the context of your organisation's work.

People's Commission into the Housing Crisis (Organisational Submission)

Individuals who cannot access affordable, secure, and appropriate housing are at risk of negative consequences including homelessness, poorer health outcomes, and lower rates of education and employment. For people with disability, these issues are exacerbated by the fact that homelessness services are not always cognisant of or inclusive to their needs. These negative outcomes ultimately result in significant government expenditure that could have otherwise been avoided through proactive policy action.

In their report *People with Disability in Australia 2022*, the Australian Institute of Health and Welfare (AIHW) provides detailed statistics regarding people with disability and their use of specialist homelessness services (SHS). The report states that:

- 8.6% (or 22,800) of clients of SHS identified as having a disability.
- Clients with disability are more likely to repeatedly access homelessness services than those without disability (5.8% compared with 2.8% for clients without disability).
- Clients with disability are more likely to be homeless at the time of accessing support than those without disability (46% or 9,500 compared with 41% or 82,900).
- The most common type of support requested by people with disability was access to accommodation. 41.7% of clients with disability needed support to access accommodation in 2019/20, compared with 33.5% of people without disability.
- People with disability accessing homelessness services also seek help with mental health at a much higher rate – 64% (or 13,300) compared with 36% without disability.

The report further states that:

- 24% of people with disability accessing homelessness services needed support with living skills or personal development, compared with 17% of the general population.
- 18% of people with disability accessing homelessness services needed support with health and medical services, compared with 9% of the general population.
- 16% of people with disability accessing homelessness services needed support for trauma, compared with 12% of the general population.

Lack of accessible housing means people with disability are either unable to find suitable accommodation, are forced to make modifications at their own cost or forced to live in more expensive housing that is accessible - all further adding to their financial burden.

Lack of affordable and accessible housing is also a major driver of poverty, which similarly has a disproportionate impact on people with disability. When speaking of the Australian population in general, most recent figures cite 13.4% or 3.3 million people as living in poverty (Davidson, P., Bradbury, B. & Wong, M. (2020) *Poverty in Australia 2020: Part 2, Who is affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS.). Amongst people with disability, the rate of poverty is 17.2% when using the 50% median income poverty line, and a staggering 28.4% when using the 60% median income line (Australian Bureau of Statistics (ABS) (2018a) *Disability, Ageing and Carers, Australia: Summary of Findings*, ABS, accessed 1 February 2023.

<https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release>). Of people experiencing poverty, 37% identify as having a disability (Davidson et al 2020). Australia is not unique in this regard, as people with disability are overrepresented among impoverished populations across the globe.

It is important to note that much of the data regarding disability and poverty in Australia ranges from six months to over four years old, in some cases predating the Covid-19 pandemic. Given the social and economic developments of the past twelve months and subsequent cost of living crisis, it is expected that forthcoming statistics will reflect an increase in poverty, both in general and amongst people with disability. The situation is likely even more dire than the data presented here would suggest.

Another area of persistent concern is the intersection between the justice system and housing. In their 2018 report, the Australian Institute of Criminology found that:

- Nearly one quarter of police detainees were homeless or experienced housing stress in the month before their arrest.
- Former prisoners who have access to stable housing are significantly less likely to reoffend than those experiencing homelessness or housing stress.
- The costs of providing housing – even when accounting for more resource-intensive housing support – are substantially less than the costs of imprisonment and the harm that result from recidivism.

Q12

Describe how current policy settings impact housing affordability and access to housing from your organisation's perspective.

Australia's housing crisis has been created through decades of short-sighted and neglectful housing policy by successive governments. Primary contributing factors include:

- House prices increasing dramatically from the 1990s onwards, particularly in urban areas.
- Wages remaining stagnant rather than increasing in line with inflation and the ever increasing cost of living. Consequently, the length of time required to save for a now needed 20% (previously 10%) deposit has dramatically increased – from approximately 7 years in the early 1990s to almost 12 years in 2021. (Coates, B. & Crowley, T. (2021) How to make housing more affordable, Grattan Institute, Submission to the Parliamentary Inquiry into housing affordability and supply in Australia, September 2021, Accessed 11 February 2024. <https://grattan.edu.au/news/how-to-make-housing-more-affordable/>)
- Tax and welfare settings making home ownership more attractive than renting.
- Decades of housing policy incentivising property investment relative to other forms of investment, most notably, negative gearing and capital gains tax. As a result, many investors prefer purchasing low-value properties, causing the price of low-cost housing to increase at a much higher rate and making it even more difficult for low-income earners to purchase a home.
- Population growth due to increased immigration from the mid-2000s onwards, increasing the demand for housing.
- Foreign property investment increasing while remaining largely unregulated, oftentimes resulting in unoccupied homes. Per figures from the National Australia Bank (NAB), in 2022, nearly 5% of the Australian property market was owned by overseas investors.

(NAB (2022) NAB residential property survey Q3-2022, Accessed 12 February 2024. <https://business.nab.com.au/wp-content/uploads/2022/10/NAB-Residential-Property-Survey-Q3-2022.pdf>)

- Failure to invest in medium-density housing in the inner and middle ring suburbs of major cities, due in part to planning constraints and community opposition.

The current policy landscape heavily privileges property investors purchasing multiple houses over first home buyers. In their submission to the Morrison Government's Inquiry into Housing Affordability and Supply in Australia, the Reserve Bank noted that the number of dwellings has in fact remained in line with population growth, despite being commonly scapegoated as the cause of soaring rents and house prices. With an adequate supply already in place, the unaffordability of the Australian housing market cannot be solely attributed to lack of supply and will not be solely fixed by increasing supply.

On the contrary, the issue is one of the demand-side. Policies such as negative gearing and discount of capital gains tax have been the biggest contributors over the long-term to Australia's housing affordability crisis, which in turn affects the unaffordability of private rentals. These policies create incentives to use existing housing stock as an investment by both private and commercial landlords, effectively favouring the purchase of existing properties for use as private rentals or short-term letting. In turn, this cannibalises the home-ownership market, and has a flow-on effect on housing affordability, particularly for first home buyers.

Q13

Describe what actions your organisation believes should be taken by governments to most improve affordability and access to housing.

Australia's housing affordability crisis has been created through decades of government negligence and disregard, it is not an issue that will be easily solved, nor for which there exists a quick fix. On the contrary, it demands a raft of radical policy reforms that ultimately foment an entire cultural shift in the way in which we as a nation conceive of home ownership. Government must challenge the current hegemonic conceptualisation of property as a means of wealth generation, replacing it instead with an understanding of housing as a basic human right, an inherent requirement to basic human dignity, supported by policy that reflects and reinforces this across all jurisdictions.

AFDO understands that the politics of housing reform are fraught: the government does not wish to alienate its voting public, many of whom already own a home or investment property and thus are naturally disinclined to support any change they may depreciate their assets. However, by continuing to perpetuate the illusion of quick fixes and simple solutions, government will only exacerbate the housing affordability crisis. Solving this problem will require courageous leadership from a government that is not afraid to make difficult, yet necessary, decisions.

Specifically, Government should:

1. Reform the private rental market:

- Review the rate of Commonwealth Rent Assistance every 12 months and increase in line with inflation and increased cost of living expenses, so that it better meets the needs of low-income renters who are at greatest risk of experiencing housing insecurity and homelessness.
- Introduce an immediate national rent freeze until such time as the worst of the current crisis has passed.
- Introduce nationally consistent rent regulation legislation that ties the national rent price index with the median wage index and limits rent increases to no more than once every 12 months.
- Address deficiencies in tenancy rights, including prevention of sharp rent increases, in line with Recommendation 7.37 of the Disability Royal Commission.
- Implement appropriate restrictions on short-term rental providers tailored to the areas where the demand is strongest and to a level that will incentivise landlords to return properties to the long-term rental market, thereby increasing rental stock and reducing competition and prices for tenants.
- Introduce bans on no-fault evictions from private rentals.
- Introduce vacancy taxes for houses not currently in the private rental market that remain unoccupied for a designated length of time
- Increase funding for tenancy advocacy in line with Recommendation 7.36 of the Disability Royal Commission.

2. Disincentivise property as a vehicle for investment and wealth generation:

- Realign negative gearing legislation to remove the perverse outcomes on housing stock availability.
- Significantly reduce capital gains tax discounts to remove the perverse outcomes on housing stock availability.
- Introduce stricter regulations on foreign property investment to open up properties for longer term rental or increased stock availability for sale.

3. Increase supply of accessible social housing and reconceptualise its role:

The single most effective early intervention approach is to provide individuals with affordable, accessible, and secure long-term housing. This is also more cost-effective long-term supporting chronic homelessness. Regrettably, due to decades of underinvestment by successive governments, there now exists a chronically low supply of social housing, and long waiting lists prevent people from being able to access social housing in a timely manner.

For people with disability, who are more likely to be low or no income, dependant on government assistance, and unable to afford the increasingly expensive private rental market, accessing social housing is a long and uncertain process, with no guarantee of success. As of June 2022, the national social housing waitlist numbered 174,600. Expanding access to supportive social housing and crisis

accommodation, through both increasing supply with new builds and retrofitting what is already available to be more accessible, remains the best approach to preventing homelessness.

- Immediately begin construction of new builds and retrofitting of existing builds to increase the supply of social housing to the levels required to address both listed and projected demand of people who are unsuited to or unable to live in the private rental market without undue hardship.
- Prioritise offering a variety of fit-for-purpose dwellings and locations that include consideration of accessibility, amenities, and community so that different needs and cohorts can be catered for through the social housing system.

Government policy often approaches social housing as a transitional step for tenants on their journey to ultimately re-entering the private housing market, or nursing homes if elderly. While it may be beneficial for some tenants to regain their capacity to engage with the private housing market, this is not always viable, and especially not for those with complex needs.

The role of social housing for people with disability on low incomes should be both long-term and based on servicing those in greatest need. In this sense, social housing is not only a part of our national infrastructure, but a necessary component of the caring economy. One fundamental change that could begin to improve the current situation would be to reconceptualise social housing as a valid, long-term housing option, as can be seen in many European nations, such as the Netherlands. This would entail moving beyond our existing entry, transfer, and exit paradigms, and instead considering multiple pathways for different people under various circumstances, and accepting different start and end points, including social housing as an acceptable – and in some cases, ideal – final destination.

- Reform housing policy beyond current entry and exit paradigms to reconceptualise social housing as a valid long-term housing option, in line with Recommendation 7.36 of the Disability Royal Commission.

A key contributor to homelessness among people with disability, both in the short-term and the long-term, is the dearth of fit-for-purpose social housing. The lack of availability of fit-for-purpose, affordable housing is reflected in the high levels of dissatisfaction reported by people with disability in relation to accessing basic amenities. Being able to access services, such as medical centres or public transport, is essential to improving the health, social, and economic outcomes of people with disability.

- Ensure new social housing construction incorporates the Gold Standard of the Liveable Housing Guidelines. This addresses the high proportion of people with disability who will live in social housing to serve to relieve pressure on the NDIS Specialist Disability Accommodation funds, which was only ever designed to cater to a small proportion (approximately 6%) of NDIS participants. This would also allow for better community access for people with higher disability support needs.
- Commission research into how accessibility, universal design principles, and adaptability can be retrofitted at a mass scale into the existing housing stock that makes up the bulk of housing available to people with disability.
- Support people with high and complex disability support and housing needs to access high quality Specialist Disability Accommodation (SDA).
- Federal Government take a leadership role in ensuring all State and Territory Governments conduct an audit of all their respective government-owned social housing stock, including old disability housing and Specialist Disability Accommodation, to determine whether it meets the needs of current and future residents with disability or accessibility requirements.
- Those properties that do not meet needs require the development of a comprehensive plan and funding for updating and redesigning through a process of co-design with people with disability and their representative organisations, to ensure the models meet their housing and accessibility needs.
- Federal Government take a leadership role in ensuring all state and territory governments commit to a program to retrofit and modify a percentage of existing social housing to a minimum accessibility threshold, to increase the supply of secure, affordable, and accessible housing over short to medium-term timeframe for people with disability.
- Federal Government take a leadership role in ensuring all states and territories commit to adopting the minimum mandatory access standards in the National Construction Code within a reasonable timeline.

4. Improve income support system:

Income support payments play an integral role in ensuring income security and enabling realisation of the rights to social security and social protection. They serve as a critical mechanism through which poverty can be directly alleviated, allowing the promotion of social and economic wellbeing, inclusion, and participation. This is especially true for people with disability, who face greater barriers to meaningful and accessible employment and incur additional disability-related expenses. Any changes in housing policy must be accompanied by necessary enhancements to Australia's income support system, which at present condemns recipients, many of

whom are people with disability, to a life of desperate and grinding poverty.

- Establish an independent body to review all social security payments to above the recognised poverty line with annual indexation to a minimum of the growth of CPI, ensuring they are sufficient to enable all people to live with dignity and to fully participate in community, social, and economic life.
- Align the eligibility criteria for the Disability Support Pension in accordance with Australia's human rights obligations under article 28 of the CRPD. These criteria must account for disabling barriers in society rather than being limited to medical assessments of the impact of impairments on functional capacity.
- As a matter of critical urgency, increase income support payments – in particular, the Disability Support Pension and JobSeeker Allowance (for those with Mutual Obligations Removed) – to bring the standard of living of households with members with disability in line with the standard of living of similar households without disability.
- Federal Government to ensure Department proactively provides unsuccessful Disability Support Pension applicants with referrals to appropriate services that can provide financial information and assistance, particularly with regards to potential payments to which they may be entitled, and guidance on how to access and apply for other appropriate financial assistance and payments.

Q14

Is there anything else your organisation would like to share with the Commission?

For further information, please see our recent submissions at <https://www.afdo.org.au/our-work/submissions/> or feel free to contact me at rebecca.rudd@afdo.org.au
