

## **Blessing Bags Melbourne**



### **Submission to the Inquiry into Homelessness in Victoria**

#### ***About us***

Blessing Bags is a volunteer-run organisation that provides bags of essentials to people experiencing homelessness. Our bags include soap, a toothbrush, toothpaste, shampoo, conditioner, deodorant, a muesli bar, sanitary items for women, and a personalised note of hope and support. Members from the local community come together, sacrificing their Sunday morning to make up these bags. A team of volunteers then travel to Melbourne's CBD and distribute these bags to people sleeping rough, meeting and forming meaningful relationships with people experiencing homelessness. We also partner with numerous homelessness services all over Melbourne who pass on our bags to their clients.

Since our inception in 2015, we have created and delivered over 9,000 bags, and partnered with many organisations, community groups and service providers who also distribute our bags.

In 2017, we developed our policy and advocacy arm, with the aim to advocate for effective solutions to end homelessness by using evidence-based policy research. Through this arm, we also aim to educate our key supporters on the issues that impact people experiencing homelessness, and what the best solutions are.

## ***Executive summary***

While Australia has experienced strong economic growth over the past two decades, the number of people experiencing homelessness has increased. While there are many pathways into homelessness, the overarching cause is poverty<sup>1</sup>. With the combination of rising living costs, wage stagnation, family violence, casualisation of employment, and a neglect in the State's investment in social housing stock, the most vulnerable Victorians are at increasing risk of homelessness. Considering these social, economic and policy factors, it is necessary that State and Commonwealth Governments have a coordinated approach that would ensure no Australian experiences homelessness.

### Recommendations:

1. Revise laws that criminalise homelessness such as begging
2. Introduce rent caps and long-term leases to secure renter's rights
3. Re-prioritise State investment in public, social and affordable housing
4. Remove the stair-case model of homeless crisis services and implement a systemic Housing First model for people experiencing homelessness and housing insecurity
5. Re-consider public housing sell-offs under the Public Housing Renewal Program

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<sup>1</sup> Pawson, H Parsell, C, Saunders, P, Hill, T and Liu, E 2018 'Australian Homelessness Monitor 2018', Launch housing

## 1. Independent analysis of the changing scale and nature of homelessness across Victoria

Victoria's most vulnerable people are being left behind. Between 2014 and 2016, homelessness had increased in Victoria by 14% in real terms, and 5% in relation to the population growth in Victoria<sup>2</sup>. To understand this increase, it is important to challenge the persistent belief that homelessness is only a result of individual actions, and analyse the social structures that explain both the causes of homelessness, and the potential solutions<sup>3</sup>. While sleeping rough is the most visible form of homelessness, it's not the most common, representing just 7% of people experiencing homelessness nationally.<sup>4</sup> The majority of people are hidden, living in homeless shelters, couch surfing, living in their car, or staying with friends or family.<sup>5</sup> Almost half of people experiencing homelessness are living in severely crowded dwellings.

Today, the population of people experiencing homelessness is no longer the poverty-stricken men and women as seen in the 1970s. Now, it consists of women fleeing domestic violence, families, young people, Indigenous Australians and older women. With domestic violence still a major pathway into homelessness, we are now confronted with a new reality: the fastest growing population of people experiencing homelessness being older single women.<sup>6</sup>

Changes in the population of people experiencing homelessness are reflective of the social, economic and policy trends in recent years: rising living costs, wage stagnation, and the decrease in affordable and public housing.

From our experience delivering bags of essentials to people experiencing homelessness, we have witnessed the impact of changes in police power to 'move on' rough sleepers in Melbourne's CBD. When Blessing Bags first started delivering bags to people in 2015, our volunteers were able to form meaningful relationships with those receiving our bags. Volunteers saw familiar faces every few months, and were able to see the impact of our work directly from the people we are aiming to help. This human connection was an incredibly rewarding and special part of our work. However, in recent years we have been seeing less familiar faces, and finding it harder to locate people on the streets. We know that this change is not because more people have been getting into housing, but rather have been moved on by police for sleeping rough<sup>7</sup>.

Both the move on powers of the police, and the criminalisation of begging, are laws that specifically target people experiencing homelessness can start the cycle of being involved in the

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<sup>2</sup> Ibid

<sup>3</sup> Coleman, A & Fopp, R 2015 'Homelessness policy: Benign neglect or regulation and control', in C Chamberlain (Eds.) *Homelessness in Australia: An Introduction*, University of New South Wales Press, pp. 11-29

<sup>4</sup> ABS Census, 2016

<sup>5</sup> Grattan Institute, 2019 'Who is homeless in Australia', viewed 20 January 2020, retrieved from: <https://blog.grattan.edu.au/2019/06/who-is-homeless-in-australia/>.

<sup>6</sup> Australian Human Rights Commission, 2019 'Risk of Homelessness in Older Women', viewed 29 January 2019, retrieved from: <https://www.humanrights.gov.au/our-work/age-discrimination/projects/risk-homelessness-older-women>

<sup>7</sup> Young, A & Petty, J 2019 "Criminalising Homelessness: Stuck in the Feedback loop; news media, local Government Policy and the Criminalisation of Visible Homelessness", viewed 29 January 2020, retrieved from: <https://chp.org.au/criminalising-homelessness-stuck-in-the-feedback-loop-news-media-local-government-policy-and-the-criminalisation-of-visible-homelessness/>

criminal justice system, while also adding to the stigma surrounding people experiencing homelessness. These initiatives that punish, rather than protect people experiencing homelessness do not solve the problem of homelessness.

**Recommendation 1: Revise or remove laws that criminalise homelessness such as begging**

2. Social, economic and policy factors that impact on homelessness

There are many different factors or pathways into homelessness, however the overarching reason people experience homelessness is poverty.<sup>8</sup> The manifestation of poverty is evident in the varying social, economic and policy factors that impact homelessness.

*Social and economic factors*

One of the biggest economic influences driving this increase in homelessness is due to increasing housing unaffordability in the private rental sector, and decreased home ownership. Coupled with the social issue of gender inequality, women are entering retirement with less superannuation than men while living in the private rental market greatly at risk of experiencing homelessness.

Ongoing gender inequality in Australia is a major cause of women experiencing homelessness. The ongoing gender pay gap is sitting at 17.3%, resulting in women earning about \$16,000 less than men per year.<sup>9</sup> Moreover, women dominate fields that have significantly lower wages, such as healthcare, education, retail and hospitality.<sup>10</sup> Coupled with lower incomes, women are still considered the primary carer for children, causing more gaps in their working lives, and therefore resulting in a stunted career growth and a lower income. With the epidemic of violence against women in Victoria, this does mean women are in a vulnerable financial position when leaving their home. The 2008 Rudd Government White paper labelled escaping domestic violence as “the most commonly cited reason for the support of specialist homelessness services”<sup>11</sup>.

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<sup>8</sup> Coleman, A & Fopp, R 2015 ‘Homelessness policy: Benign neglect or regulation and control’, in C Chamberlain (Eds.) *Homelessness in Australia: An Introduction*, University of New South Wales Press, pp. 11-29

<sup>9</sup> Australian Human Rights Commission, 2019 ‘Risk of Homelessness in Older Women’, viewed 29 January 2019, retrieved from: <https://www.humanrights.gov.au/our-work/age-discrimination/projects/risk-homelessness-older-women>

<sup>10</sup> Australian Bureau of Statistics (ABS), Census of Population and Housing, TableBuilder (2016). Findings based on use of ABS TableBuilder.

<sup>11</sup> Mares, P 2018 *There’s No Place Like Home: Repairing Australia’s Housing Crisis*, Text Publishing, Melbourne, Australia.

Despite this, we know older women are the fastest growing group of people to experience homelessness. These gendered experiences of income inequality, stunted career growth due to caring duties<sup>12</sup>, and populating jobs with traditionally lower salaries<sup>13</sup> have left women retiring with around half the amount of superannuation than men.<sup>14</sup> For older women who are now more likely to be entering retirement without owning their own home, a crisis or change in circumstances can interfere with their ability to pay rent, and potentially lead to them experiencing homelessness.<sup>15</sup> The most common causes of women experiencing homelessness are: renting, living alone, loss of partner or relationship breakdown, and experiencing crisis such as job loss or eviction<sup>16</sup>

In addition to the gendered element of the social contributors to people experiencing homelessness, there's another common thread: poverty and renting. With housing prices skyrocketing, more people are forced into the private rental market and becoming life-long renters. However, even the rental market is starting to become unaffordable, and causing more vulnerable Victorians to be at risk of homelessness.<sup>17</sup> A recent report by the Productivity Commission found that 43.4% of Australian renters are low-income, 50% of which were under rental stress.<sup>18</sup> With less people entering retirement without owning their own home,<sup>19</sup> low-income earners have an increased risk of experiencing homelessness without the security of long-term, sustainable accommodation. In addition to the financial stress renters experience, the lack of security in rental tenure is an ongoing issue. A study on the private rental sector in Australia found that over one third of renters were forced to leave their last rental property.<sup>20</sup> Therefore, the link between renting and homelessness is not hard to discern. With the cost of living continuing to rise, and wages stagnating,<sup>21</sup> it's low-income earners in the private rental market who are most at risk of experiencing homelessness. To prevent more people facing homelessness after being life-long renters, Victoria must consider capping rental prices, and securing long-term leases for all Victorians.

**Recommendation 2: Introduce rent caps and long-term leases to secure renter's rights**

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<sup>12</sup> Australian Human Rights Commission, 2019

<sup>13</sup> Australian Bureau of Statistics (ABS), Census of Population and Housing, TableBuilder (2016). Findings based on use of ABS TableBuilder.

<sup>14</sup> Reynolds, F, Large, J, Petersen, M, Clark, A, Walsh, K, Fiedler, J, Crimmins, F, Tually, S, Sutherland, G, Barbossa, SK, Georgopoulos, D 2018 'Retiring into poverty: a national plan for change: increasing housing security for older women', *National older women's housing and homelessness working group*, pp.1-16.

<sup>15</sup> Ibid

<sup>16</sup> Ibid

<sup>17</sup> Pawson, et al, 2018, p. 1-16

<sup>18</sup> The Productivity Commission, 2017 'Report on Government Services', viewed 20 January 2020, retrieved from: <https://www.pc.gov.au/research/ongoing/report-on-government-services/2017/housing-and-homelessness/housing/rogs-2017-volumeq-chapter18.pdf>

<sup>19</sup> Mares, P 2018

<sup>20</sup> Rowley, S & James, A 2018 'The Private Rental Sector in Australia: Public Perceptions of quality and affordability', *Bankwest curtain economics centre*, Research report no, 18/18, pp. 1-57.

<sup>21</sup> Stanford, J 2019 'What's a Million, Anyway? Australia's 2013-2018 Job Creation in Historical Perspective', *The Australia Institute*, pp. 1-41.

### *Policy factors*

The only real solution to homelessness is investing in social housing. In Victoria, there are currently more than 80,000 people on the waiting list for public housing,<sup>22</sup> and we've seen that the wait can be fatal. In May 2019, Courtney Herron who was sleeping rough and couch surfing, was killed by her ex-boyfriend. She was on the public housing waiting list.<sup>23</sup> This highlights many policy failures that have led to the housing crisis: lack of investment in public housing, short-term and insecure leases, and the gendered experience of homelessness.

Despite this, the Public Housing Renewal program has faced great criticism over selling off public land to private developers, and reducing the amount of public housing stock available. While there is no doubt that the ageing public housing stock in Victoria needs to be repaired, the the current goal of the program to provide a 10% increase in public housing stock was found to be insufficient during the 2017 inquiry into the program.<sup>24</sup> Moreover, the Public Housing Renewal Program, will absolve the state of the ongoing maintenance costs, but these costs could be replaced with the provision of more physical and mental health services. This is because of the growing concern of the psychological and health impacts of tenants being displaced due to the renewal, as people are being unnecessarily displaced from their homes, schools, friends, jobs and community.<sup>25</sup>

**Recommendation 3: Re-consider public housing sell-offs under the Public Housing Renewal Program**

The flawed staircase model embedded in housing policy is inefficient, costly and does more harm than good. The model requires people adhere to a range of behavioural conditions that prove they are 'housing ready'.<sup>26</sup> Housing is the foundation for every other activity in one's life. Without a secure home, with food, running water and adequate protection from the elements, it is almost impossible to set up the other building blocks to success, like searching for a job.

The staircase model assumes that homelessness can only be overcome by an individual's behaviour, and undermines the debilitating conditions people face while experiencing homelessness.<sup>27</sup> Despite revising the approach to reducing homelessness in Victoria, the

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<sup>22</sup>Tran, D & Stayer, G 2018 'Victorian Public Housing waiting list at 82,000 and growing by 500 a month', viewed 29 January 2020, retrieved from: <https://www.abc.net.au/news/2018-06-06/victorias-public-housing-waiting-list-growing-by-500-a-week/9837934>

<sup>23</sup> Kelly, C 2019 'Melbourne Murder: Courtney Herron let down by Victoria's housing crisis, friends say', viewed 29 January 2019, retrieved from: <https://thenewdaily.com.au/news/2019/05/27/melbourne-murder-homeless/>

<sup>24</sup> Kelly, D & Porter, 2019 'Understanding the assumptions and impacts of the Victorian Public Housing Renewal Program, viewed 20 January 2020, retrieved from: <https://cur.org.au/cms/wp-content/uploads/2019/05/understanding-the-assumptions-and-impacts-of-the-phrp-final-report-28-5-19.pdf>

<sup>25</sup> *ibid.*

<sup>26</sup> Clarke, A, Watts, B & Parsell, C 2019 'Conditionality in the context of housing-led homelessness policy: Comparing Australia's Housing First agenda to Scotland's "rights based" approach', *Australian social policy association*, pp. 1-15

<sup>27</sup> *ibid.*

transitional approach is still predicated on the staircase model, which is so entrenched in Victoria that even service providers who endorse housing first rely on transitional models, like the staircase model, to support their clients.<sup>28</sup> This is all linked to the lack of affordable and social housing in Victoria. Without building more homes to support Victoria's low-income workers, no policy will prevent or end the prevalence of homelessness in this State.

**Recommendation 4: Remove the stair-case model of homeless crisis services and implement a systemic Housing First model for people experiencing homelessness and housing insecurity**

3. Policies and practices from all levels of government that have a bearing on delivering services to the homeless

*National Housing and Homelessness Agreement, 2018-2023*

In 2009, the National Housing and Homelessness Agreement was implemented to address the Federal and State's mutual interest in improving housing outcomes for Australians who are experiencing, or are at risk of experiencing homelessness.<sup>29</sup> The agreement between the Federal and Victorian governments is that the Federal government provides a set amount of funding to achieve housing and homelessness related outcomes.<sup>30</sup> Although this is a welcome sign of a National coordinated housing policy, there needs to be a clearer, more coordinated response nationally to help States address housing and homelessness through building more social housing stock.

*Better Homes for Victoria policy*

Providing public, social and affordable housing is the most effective way to get people out of homelessness.<sup>31</sup> After years of failed staircase models, focusing on crisis centres, and short-term accommodation, Victorian housing policy must focus on increasing public housing dwellings to address the rising levels of people experiencing homelessness.

On the local level, councils are able to tailor approaches to affordable housing, and encourage the expansion of community housing<sup>32</sup>. While community and affordable housing is a worthwhile investment, it should only compliment investment in public housing.

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<sup>28</sup> Ibid

<sup>29</sup> Council on Federal Financial Relations, 2018 'National Housing and Homelessness agreement', viewed 5 February 2020, retrieved from: [http://www.federalfinancialrelations.gov.au/content/housing\\_homelessness\\_agreement.aspx](http://www.federalfinancialrelations.gov.au/content/housing_homelessness_agreement.aspx)

<sup>30</sup> Kelly, D & Porter, 2019

<sup>31</sup> Kelly, D, Shaw, K & Porter, L 2019 'Shh! Don't mention the public housing shortage. But no serious action on homelessness can ignore it', *The conversation*, viewed 29 January 2019, retrieved from: <https://theconversation.com/shh-dont-mention-the-public-housing-shortage-but-no-serious-action-on-homelessness-can-ignore-it-124875>

<sup>32</sup> Clarke, A, Watts, B & Parsell, C 2019

Victoria's housing policy *Homes for Victoria* introduced in 2017 shows a stronger commitment to increasing social housing stock, improving conditions, and protecting those fleeing from family violence. While these issues need to be addressed, forcing the responsibility to the not-for-profit and private sector is not an effective solution to the housing crisis. Under this policy, the Public Housing Renewal Program, selling off public housing dwellings to private developers has devastating effects on current tenants, mentioned above.<sup>33</sup> Moreover, there are a number of issues from the Parliamentary Inquiry into the Public Housing Renewal Program that have yet to be acknowledged by the Victorian government.<sup>34</sup> It is recommended that the Victorian government consider these findings from the inquiry to seriously tackle the increase in people experiencing homelessness in Victoria.

Finally, the Productivity Commission's 2019 report found that under the National Affordable Housing Agreement, Victoria invests the least amount in Public Housing compared to the other states<sup>35</sup>. With over 80,000 people on Victoria's public housing waiting list, neglecting public housing will only fuel the housing crisis further.

**Recommendation 5: Re-prioritise State investment in public, social and affordable housing**

Conclusion

There is no denying people experiencing homelessness are the most vulnerable people in the Victorian community. With wage stagnation, rising cost of living, the decline of home ownership, and dwindling social housing stock, more people are at risk of experiencing homelessness than ever before. However, by securing those living in the private rental market, prioritising a housing first model, and building more social housing, we can prevent at-risk groups from experiencing homelessness in Victoria, while also helping those out of homelessness, with dignity, care and compassion.

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<sup>33</sup> Kelly, D & Porter, L 2019

<sup>34</sup> Ibid

<sup>35</sup> The Productivity Commission, 2017 'Report on Government Services', viewed 20 January 2020, retrieved from: <https://www.pc.gov.au/research/ongoing/report-on-government-services/2017/housing-and-homelessness/housing/rogs-2017-volumeq-chapter18.pdf>



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