



Background Paper 3

Determinants of Housing Outcomes

Introduction

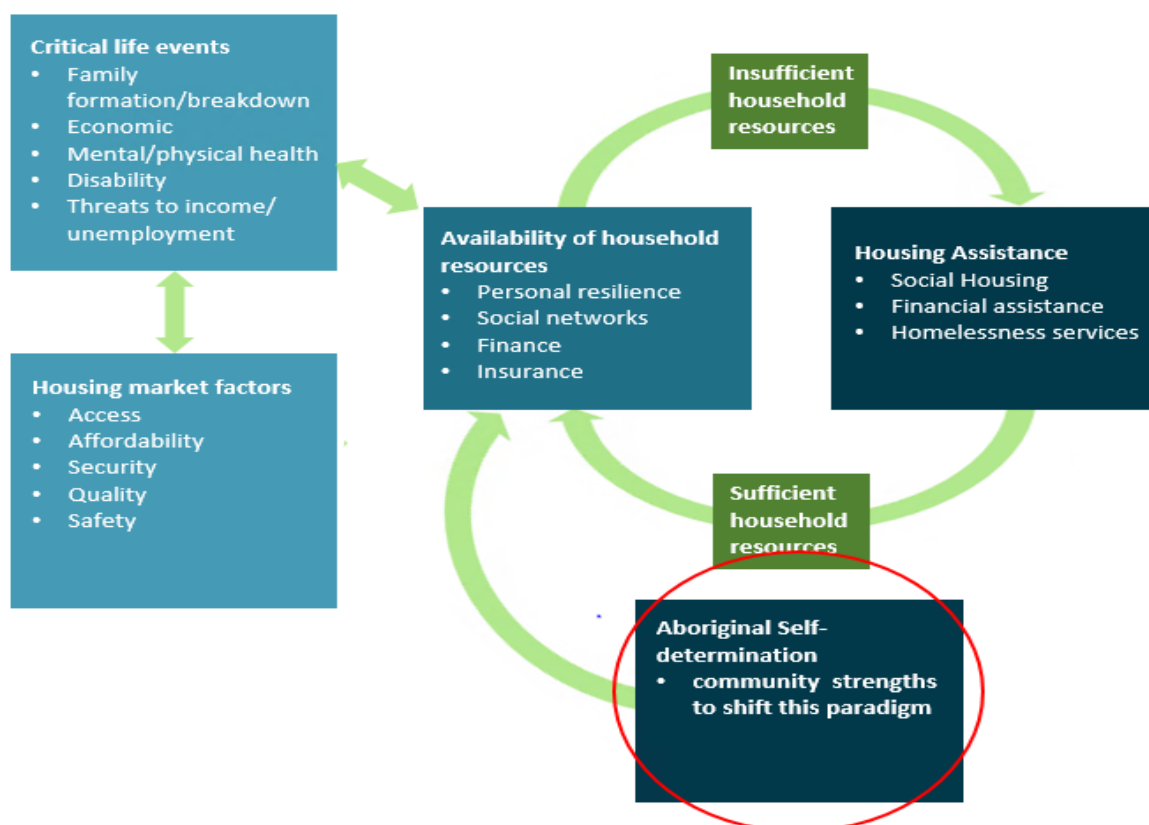
“International human rights law recognises everyone’s right to adequate housing where they live in security, peace and dignity. Stable housing further supports maintained employment, proper health and nutrition, and improvements in education. Home ownership continues to be a widely held aspiration in Australia providing security of tenure and long-term social and economic benefits to homeowners.....” (Australian Institute of Health and Welfare (AIHW), *Housing Assistance in Australia* 2018)

To a greater extent than any other group in Victoria, Aboriginal¹ Victorians are missing out on the human right to adequate housing and on the long-term social and economic benefits of home ownership. Understanding why this is the case and how to change it provides the impetus for the Aboriginal housing and homelessness summit.

The Australian Institute of Health and Welfare (AIHW) has developed a conceptual model for understanding the structural drivers which cause people to be in housing crisis and to seek housing assistance. This model is shown in the diagram below. We have added a box to this framework to pose the question of how the strengths of the Aboriginal community can reshape housing dynamics.

Figure 1: Drivers of requests for housing assistance

Drivers of requests for housing assistance



Source: Adapted from Australian Institute of Health and Welfare 2018

¹ Throughout this paper 'Aboriginal' is used to refer to both Aboriginal and Torres Strait Islander people.

According to the AIHW thinking, resolution of crisis to achieve housing security depends on the interaction between:

- Housing market factors
- Critical life events
- Availability of household resources, and
- The adequacy of Government housing assistance.

Being Aboriginal makes the navigation of each of these domains more challenging and exacerbates vulnerability to housing stress and housing crisis. It is a critical overarching factor which amplifies all other risk dimensions of the AIHW housing crisis model.



This background paper looks briefly at each of these domains, focusing on what the experience of Aboriginal people looks like in the housing market; in experiencing and navigating critical life events; in bringing household resources to bear to resolve housing challenges; and in navigating housing assistance programs and systems (both mainstream and Aboriginal).

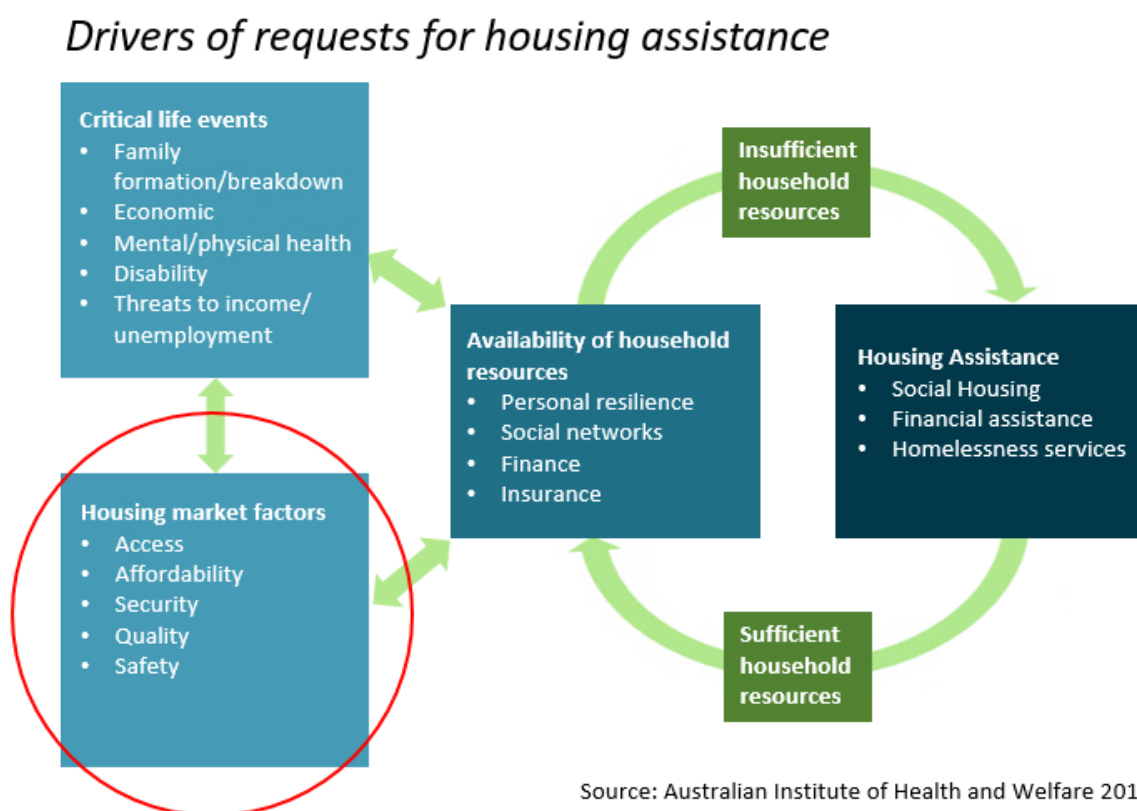
An important qualification

It is important to emphasise that the AIHW model provides only one model for thinking about housing and homelessness. Its use to structure this paper in no way pre-empts the Victorian Aboriginal Housing and Homelessness Framework. Missing from the AIHW is a consideration of how the strengths inherent in the Aboriginal Community can shift the paradigm. Aboriginal Housing Victoria (AHV) anticipates a Victorian framework will emerge out of an ongoing discussion with the Victorian Aboriginal community, including through the summit for which this paper has been written as a conversation starter. At the conclusion of this paper we open the dialogue for the community to work together through the summit and beyond to identify a new paradigm which could change our experience of housing.

One limitation of the AIHW model is that it starts from the point of understanding what drives housing crisis. A major aim of the Victorian Aboriginal Housing and Homelessness framework is to shift focus from a deficit model to a determination for more Aboriginal people to achieve independence and ownership in the private housing market. For this reason this paper begins, not by looking at Government housing assistance, but by examining the economy of housing – the dynamics of the housing market itself and the factors within it that need to change for Aboriginal people to achieve a fairer stake in that market.

Part 1 - Housing market factors

Figure 2: Drivers of requests for housing assistance – Housing market factors



Overview

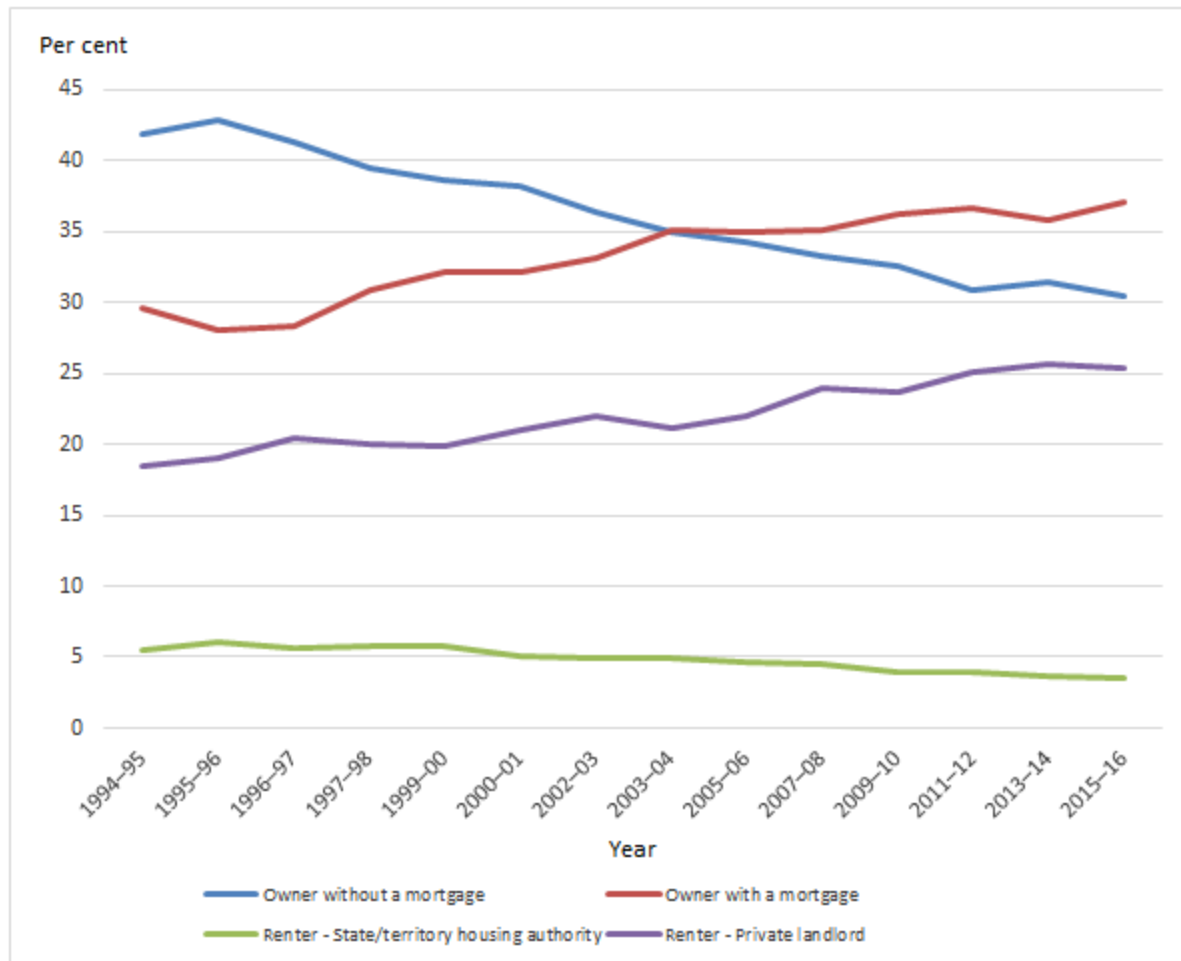
The wider housing market affects Aboriginal people's access to affordable housing which is secure, high quality and safe.

Traditionally, Australia has provided a housing market in which the majority of Australians could afford to purchase a house, the private rental market served as a transitional tenure while people saved to buy a home and there was social housing to assist the most disadvantaged. This was supported by a solid welfare safety net of income support and rent assistance. Even within these relatively benign settings, Aboriginal Victorians experienced high levels of housing stress and crisis.

Australia's housing market has become more challenging over the past two decades as real house prices have outstripped wage growth, private ownership has declined, the share of social housing as a tenure in the overall market has fallen, the proportion of people in the private rental market has grown, significantly pushing up market rents, while the buying power of the unemployment benefit has fallen to amongst the lowest level in the OECD².

² ACOSS data suggests that "The freezing of the Newstart Allowance (which has not increased above inflation since 1994) has increased poverty among those receiving that payment. Poverty among people in households relying mainly on Newstart Allowance rose from 61% in 1999 to 78% in 2015, while the average poverty gap (for households reliant on Newstart Allowance below the poverty line) rose from \$81 per week to \$136 per week over the same period. The transfer of 80,000 sole parents to Newstart Allowance in 2013 was associated with an increase in the rate of poverty among unemployed sole parents from 35% in 2013 to 59% two years later." (VCOSS Snapshot of Poverty in Australia) This also impacts rental collections of community housing providers with flow on impact reducing funds for maintenance and investment in social housing capital.

Figure 3: Housing tenure in Australia (per cent), by tenure type, 1994–95 to 2015–16



Source: AIHW Housing Assistance in Australia 2018

Home Ownership

While overall rates of home ownership have not fallen significantly, the structural ageing of Australian society has masked large falls in ownership of 13-14 percentage points since 1971 for people aged 25-34 as evidenced in *Figure 4*. The inaccessibility of home ownership for this age cohort disproportionately affects Aboriginal households because the average age of the Aboriginal community is so much younger than that of the mainstream community (23 years compared with 37 years) (*see Figure 5*).

Figure 4: Home ownership (aggregate) rates, by selected age groups, Census years 1971 to 2016

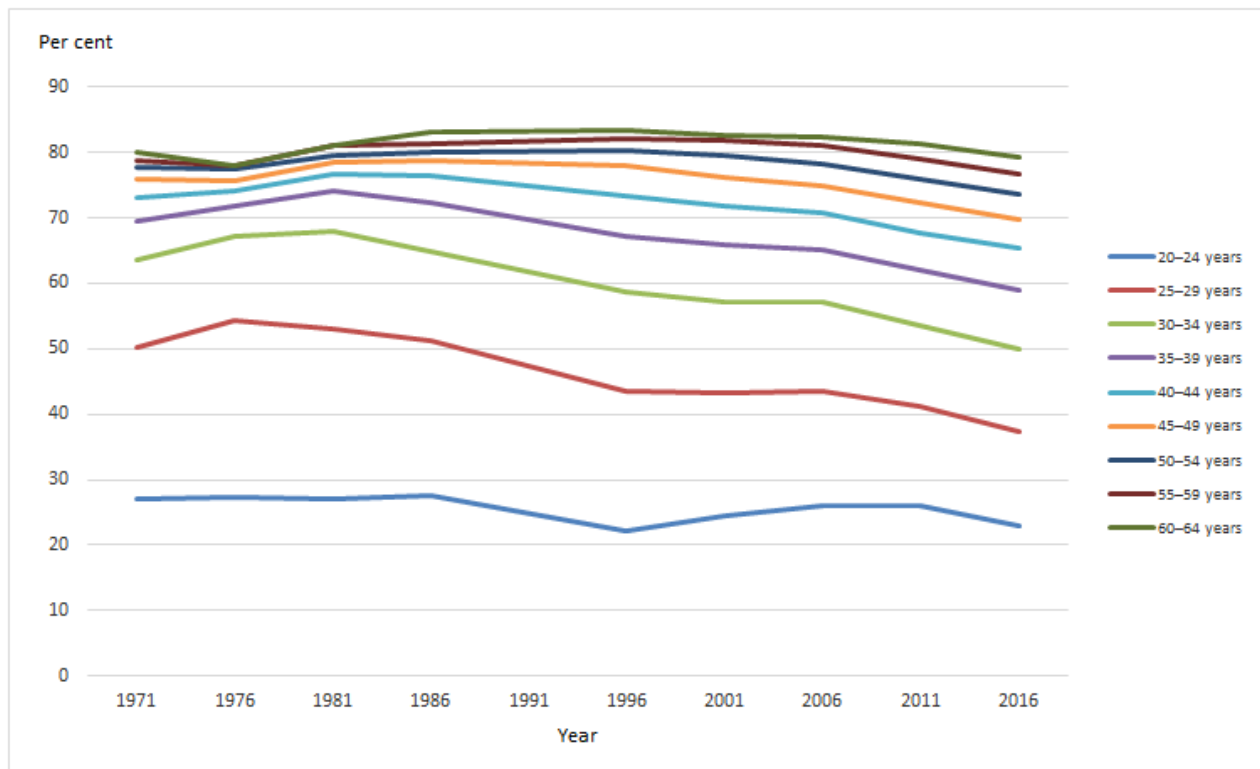
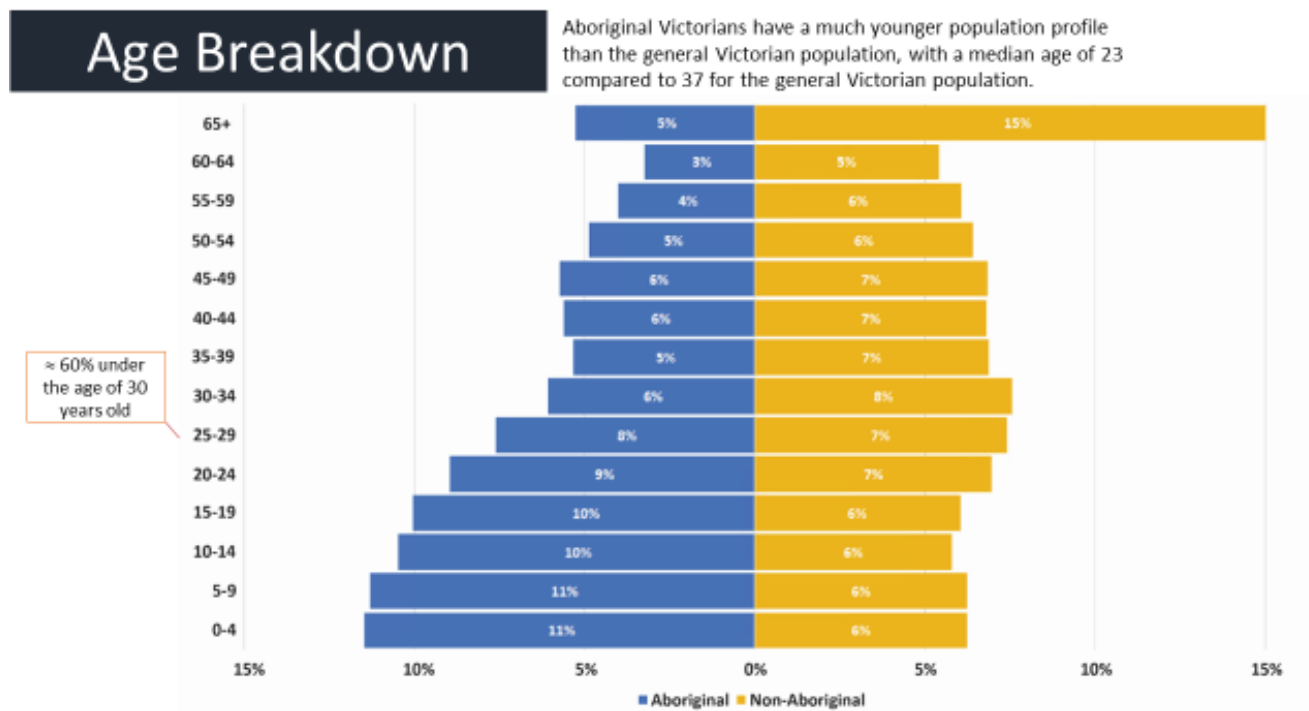


Figure 5: Housing tenure in Australia (per cent), by tenure type, 1994–95 to 2015–16



Source: Australian Bureau of Statistics (ABS)

Australians are increasingly less likely to own their home at retirement, with the rate of outright ownership falling markedly since 1996, particularly for people aged 50–54 who have seen a 6.6 percentage point fall

over these 20 years (from 80.3% to 73.7%)³. Around 68% of Victorians own or are purchasing their home, while only 43% of Aboriginal Victorians are in this position⁴.

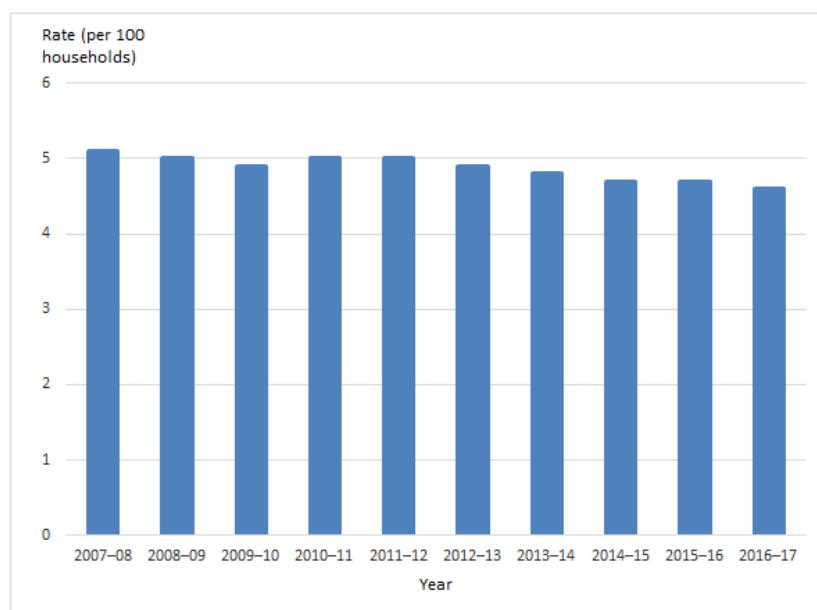
Social Housing⁵ (Public and Community)

Population growth has outstripped growth in social housing nationally over the past decade, as the table below shows. Despite recent investments, Victoria has a lower proportion of social housing than other states. Victoria's public housing stocks have hovered between 64,000 and 65,000 units since 2007, during a period in which the Victorian population has grown by around one million people. The Victorian Government's recurrent expenditure on social housing per person was \$82.94 in 2017-18 compared with an average national expenditure of \$166.93. Victoria's expenditure per person is less than half the national average. These patterns of investment will result in a continuing decline in the market share of social housing, making it more difficult for Aboriginal and other disadvantaged people to access social housing. While nationally social housing makes up between 4% and 5% of the market, in Victoria it constitutes little more than 2%.

The Productivity Commission put the number of community housing units in Victoria in 2018 at 14,486, up from 7,930 in 2009. The number of Aboriginal community housing units was 1720 in 2017 up from 1233 in 2009.⁶

Figure 6: Social housing dwellings share per 100 households Australia, 2007-08 to 2016-17

Figure 1.5: Social share, as social housing dwellings per 100 households in Australia, 2007-08 to 2016-17



Sources: AIHW analysis of AIHW National Housing Assistance Data Repository 2016-17, ABS Household and Family Projections, Australia, 2011-2036.

While social housing is often the most secure option in our housing market available to people on very low incomes, AIHW notes that “between 2009-10 and 2015-16, lower income households renting with a state or territory housing authority had the largest change in household costs: from 18% to 24%”.

³ AIHW Housing Assistance in Australia 2018

⁴ ABS Census 2016

⁵ Social housing in this context includes public housing and housing provided by community housing providers

⁶ Productivity Commission 2019 Report on Government Services

Private Rental

People in the private rental market face more challenging market conditions however. Lower access in the Australian community to private ownership and to social housing has led to significant growth in private rental's overall market share, from 17% of Australians in 1994-95 to more than 25% in 2015-16. This additional competition has pushed up private rents so that on average by 2015-16, low income families in Australia's private rental market were contributing 32% of their income in housing costs, meeting the common definition of housing stress (where a household's housing costs exceed 30% of their gross income)⁷. The 2019 Report on Government Services found that more than half (51.7%) of low income rental households in Melbourne were in rental stress by 2015-16, up from 37.3% in 2007-08.⁸ ABS data suggest that between 27-35% of Victoria's Aboriginal population live in our very challenging private rental market.

Perhaps because Australia has traditionally considered itself a high ownership nation⁹, in which private rental was a transitional tenure, state laws in Australia have traditionally conferred few rights of quality and security of tenure in the private rental market and Australia has provided lower levels of social housing than most OECD nations. The Victorian Government has recently instituted some useful reforms adding protections for private renters in recognition of this deficit.

The Experience of Aboriginal people in this Market

Only 43% of Aboriginal Victorians own or are purchasing a home compared with around 68% of the rest of the Victorian community. This undermines housing security and the capacity to build intergenerational wealth. Low rates of access to the private rental market underscore the significant market barriers Aboriginal Victorians face, including racial discrimination which blocks access. Cost is also a significant barrier with just 6% of rental properties in Australia affordable to people on income support and just 28% for those on the minimum wage¹⁰. This places significant pressures on the social housing component which, as the population grows, will become more acute.

Currently, we estimate that around one in four Aboriginal people live in social housing in Victoria. Social housing demand projections suggest a further 5,085 social housing units may be required by 2036, as the table below shows. The immediate projected shortfall to 2021 is 1438 units.¹¹ This modelling is conservative and likely to underestimate demand.

⁷ AIHW Housing Assistance in Australia 2018

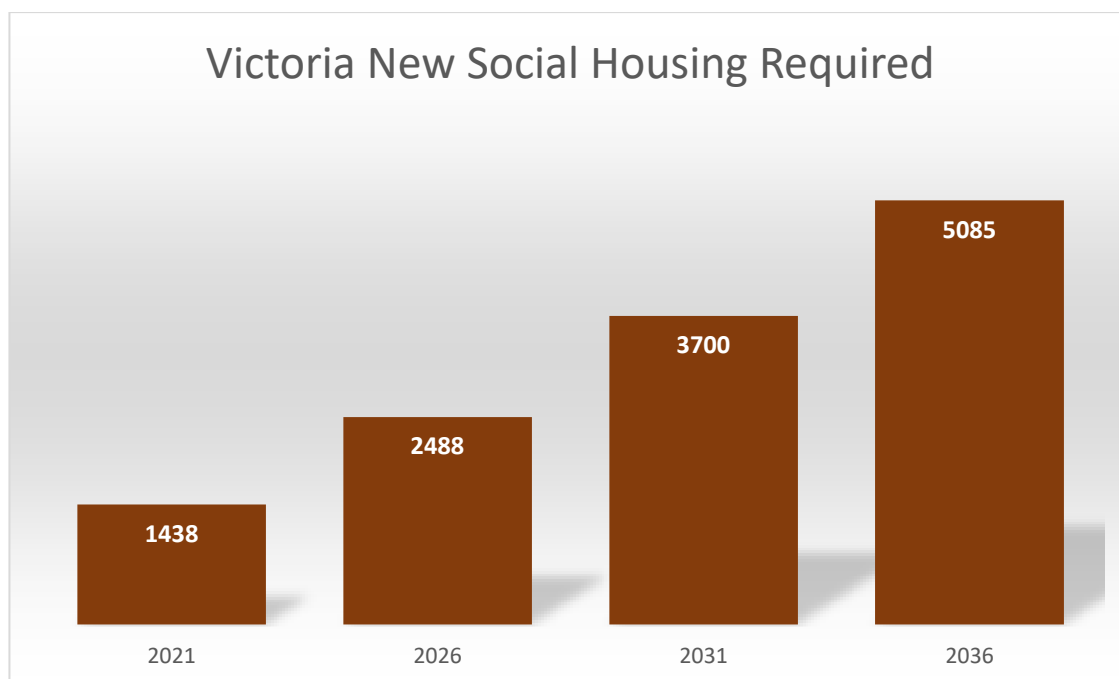
⁸ Report on Government Services 2019, Table GA.2

⁹ In fact Australia ranks 29th out of 36 OECD and EU nations for home ownership. See

¹⁰ Anglicare Australia 2018 Rental Affordability Snapshot

¹¹ Victoria's Aboriginal Households numbered 23,691 in 2016. By 2036, Victoria's Aboriginal Households will grow to 50,328 (a 4.0% average annual growth rate). Background Paper 2 in this series contains the methodology and detailed workings for these estimates, as well as a note on limitations of the data.

Figure 7: Projected additional social housing units required to meet Aboriginal household population growth, Victoria 2021 to 2036



Source: Modelling by AHV based on Khalidi, Noor, Aboriginal population and household projections, 2016-2036, Victoria

In Victoria, the percentage of new households assisted with Victorian public housing that were Aboriginal has risen from around 8 per cent in 2013-14 to almost 13 per cent in 2017-18 as shown in the table below.

Table 1: Public Housing in Victoria¹²

	New Households assisted	New ATSI Households assisted	ATSI % of Newly Assisted
2017-18	2 708	344	12.7%
2016-17	3 513	407	11.6%
2015-16	3 694	426	11.5%
2014-15	3 990	356	8.9%
2013-14	4 202	334	7.9%

Source: Productivity Commission, 2019 Report on Government Services

If we compare the total number of households in Victoria assisted with public housing (in Table 18A.4 from the Productivity Commission Report on Government Services (RoGS, 2019)) with the proportion of Aboriginal households assisted (Table 18A.5) we can see a rise in the Aboriginal share of public housing in Victoria over this period from 3.0% in 2014 (1,890 of 62,853) to 4.3% in 2018 (2,673 of 62,247). The increase in the Aboriginal households public housing market share, underlines both the rapid population growth in the Aboriginal community and very high rates of need in the Aboriginal community, evidenced in the almost 11,000 Aboriginal client contacts with homeless services in Victoria in 2018.

¹² Report on Government Services 2019, Productivity Commission

The annual increase in the number of Aboriginal households assisted with public housing is between 8 and 10 per cent over the past four years.

Table 2: PUBLIC HOUSING Victoria¹³

	Aboriginal households	Annual Increase
2018	2 673	0.09
2017	2 443	0.08
2016	2 268	0.10
2015	2 061	0.09
2014	1 890	

Source: Productivity Commission, 2019 Report on Government Services

AHV has estimated (based on projected Aboriginal household growth of around 4%) that a further 5085 social housing units will be required by Aboriginal households to 2036. The actual increase we have seen in the four years from 2014 to 2018 is 783 or 196 per year.

While there is a critical need to grow Victoria's Aboriginal social housing market, it is also vitally important to increase home ownership and to reduce barriers to private rental for Aboriginal Victorians. The Aboriginal Housing and Homelessness framework will contain proposals to address all three challenges.

Homelessness

Homelessness is the endpoint of acute market failure. While the completely unacceptable state of homelessness is not usually considered part of the housing market, the proportion of the Aboriginal community who are homeless is so high that it needs to be considered a part of the market when we consider this strategy.

Table 19A.4 of the RoGS 2019 report shows that Victorian Aboriginal people comprised more than 10% of client met need for homeless services, despite comprising less than 1% of the Victorian population. Their proportion of homeless accommodation clients in Victoria was even higher at almost 13% of all Victorian homeless accommodation clients. Victorian Aboriginal people were 11.4 times more likely to be homeless or at risk of homelessness than other Victorians. This compares unfavourably with a national over-representation rate of 8.3 times.

Table 3: Proportion of homeless service clients with met need who were Aboriginal and Torres Strait Islander Clients

<i>Unit</i>	<i>NSW (c)</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust (d)</i>
ATSI No. 2017-18	19 474	10 885	14 466	9 694	5 074	929	679	7 243	69 334
Total No. 2017-18	67 649	104 850	40 102	22 575	19 032	6 286	3 883	8 712	269 071
Population Share % 2017-18	3.0	0.9	4.4	3.9	2.5	5.3	1.8	30.8	3.1
ATSI Share of Total Clients		10.4%							25.8%

Source: Productivity Commission, Table 19A.4 Report on Government Services 2019

¹³ Report on Government Services 2019, Productivity Commission

The number of Victorian Aboriginal homeless clients with met need has been growing steadily over the past five years from 8327 in 2013-14 to 10,885 in 2017-18. The proportion of Aboriginal clients as a share of all homeless clients has also grown from less than 9% in 2013-14 to more than 10% in 2017-18.

Given that Victoria's Aboriginal population numbers only around 60,000 people, this suggests that around 15-18% of the population may have had cause to contact homeless services in the past year. The total number of Aboriginal clients assessed as being in need of a homeless service in 2017-18 (8509) is a stunning 33.6% increase on the 2013-14 total assessed need of 6369 clients¹⁴.

Victorian Aboriginal people having sought homeless assistance were also:

- less likely to have a case plan in place (fewer than half of all Victorian ATSI homeless clients (47.2%))
- more likely than other Victorians to be repeat clients of homeless services within the same year (Around 5% compared with the rate for Aboriginal people of around 8%.)
- more likely than other Victorians to continue to be without independent housing following their contact with homeless services (with only 57.1 per cent achieving independent housing following support).¹⁵

These data, taken together, indicate an escalating crisis in Aboriginal homelessness in Victoria. The failure of the Victorian housing market (very high house prices, market rents which are unaffordable for low income people and a collapse in public housing's population share) is significantly implicated in these unacceptable levels of Aboriginal homelessness.

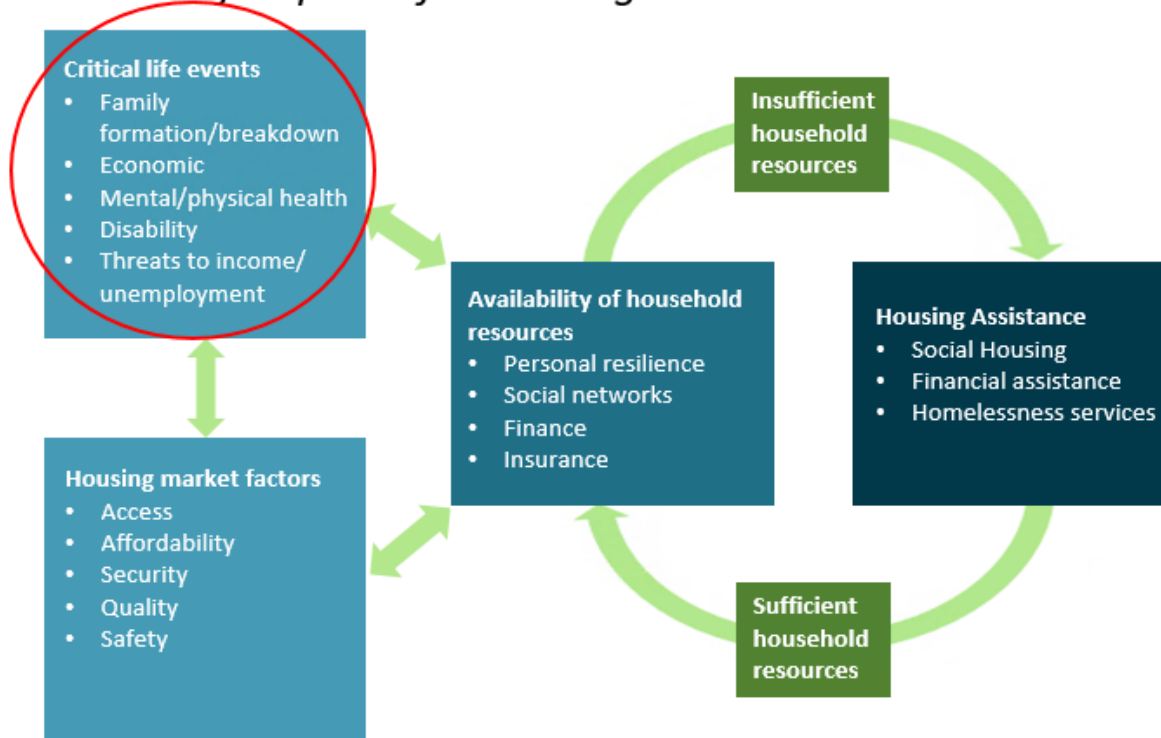
¹⁴ Report on Government Services 2019, Productivity Commission

¹⁵ Report on Government Services 2019, Productivity Commission

Part 2 - Critical Life Events

Figure 8: Drivers of requests for housing assistance – Critical life events

Drivers of requests for housing assistance



Source: Australian Institute of Health and Welfare 2018

Source: AIHW Housing Assistance in Australia 2018

Overview

Having looked at Housing Market factors, we now turn to a second component of the drivers of housing crisis – *Critical life events*. The AIHW describes their relationship to housing need in this way:

“Critical life events relate to significant developmental milestones that can occur across the lifespan. Positive critical life events, such as the formation of a family or new job opportunities, may lead households to seek housing assistance in their transition to a larger dwelling or a more secure form of housing tenure. Housing assistance also provides support following adverse critical life events such as family breakdown, loss of employment or reduction of income, ill health or loss of loved ones. Research shows that households that experience a number of adverse critical life events, affecting their social and economic circumstances, are more likely to need assistance in accessing or maintaining their housing.”

AIHW Housing Assistance in Australia 2018

A rapid scan of the adverse critical life events contained in this diagram immediately registers that these events are experienced earlier, more frequently and more acutely by Aboriginal Victorians. Other crisis events not identified here but experienced at higher rates by Aboriginal people include family bereavements, family violence victimisation, child removal and contact with youth and criminal justice systems. These life events are often preceded by housing stress and insecurity and also have compounding long-term adverse effects on housing security.

The Summit Program dedicates the afternoon session to dealing with life events as they affect particular cohorts of the Aboriginal community: young people in education and training; ageing and the experience of Elders; people in contact with the justice system; experience of family violence; young people leaving statutory care; people with a disability; and homelessness (which can be both a life event and the culmination of crisis).

Family Breakdown

Aboriginal family formation often occurs at an earlier life stage and may also dissolve earlier. Many young Aboriginal people have parenting responsibilities at a time when many expect still to be cared for themselves. The AIHW notes that:

“Family dissolution and breakdown can often have a negative impact on home ownership or the ability to sustain a tenancy. Changes in the family structure, particularly separations, often increase the costs of housing by increasing housing mobility due to housing unaffordability or insecurity.

This situation can result in transitions from home ownership or private rental to precarious housing situations and even homelessness.”

AIHW Housing Assistance in Australia 2018

In fact just over half of all people in Australia seeking assistance from specialist homeless services cite the breakdown of personal relationships (including family violence) as a cause of them seeking assistance¹⁶. Clearly, reducing family breakdown is part of the formula for tackling homelessness.

Family Violence

DHHS data identify that 35% of people who seek specialist homelessness service assistance do so as a consequence of family violence. Aboriginal people experience family violence victimisation at far higher rates than the mainstream community. Perpetrating family violence can also compound housing insecurity. The composition of support provided to homeless clients in Victoria is dominated by family violence services, which account for 33.6% of service types provided to those seeking assistance¹⁷.

Unemployment

“The ability to maintain or gain access to housing is closely linked to households having access to stable, regular employment that provides sufficient resources to cover housing related costs (mortgage or rental payments). Without this stable regular employment, households may find themselves unable to meet rent and mortgage repayments and in urgent need of housing assistance and services.”¹⁸ Australia now has almost the lowest relative unemployment benefit in the OECD. As previously noted, just 6% of rental properties in Australia are affordable for people dependent on income support. It has been estimated that to secure market rent without going into housing stress, the unemployment benefit would need to be raised by more than \$100 per week.¹⁹

Aboriginal Victorians are more than twice as likely as other Victorians to be unemployed. These weaknesses in the welfare safety net are having a disproportionate impact on Aboriginal individuals and families. As Australia’s welfare safety net frays vast numbers of Aboriginal people are falling through into homelessness. Nowhere is this starker than in Victoria.

¹⁶ AIHW Housing Assistance in Australia 2018

¹⁷ Report on Government Services 2019, Productivity Commission

¹⁸ AIHW Housing Assistance in Australia 2018

¹⁹ Saunders, Prof Peter, *Standards for Low-Paid and Unemployed Australians New Minimum Income for Healthy Living Budget* (Social Policy Research Centre, UNSW)

Young People

Young Aboriginal people are significantly more likely to experience major life stress events which place them at risk of housing crisis and homelessness. Conspicuous examples of such events include gross over-representation in their contact with the criminal justice and statutory care systems. Aboriginal young people in Victoria are 16 times more likely to be living in out of home care (a rate of 88.8 per 1,000 children)²⁰. Within a year, more than one in three young people leaving statutory care or juvenile justice move from often damaging institutional environments into homelessness²¹. More than half of Aboriginal people presenting to homeless services across Australia are under 25²². It is often left to already stressed community members with limited financial resources to support these young people to break cycles of profound disadvantage. Afternoon Sessions C and E of the Summit examine these challenges.

Elders

Just 5 per cent of the Aboriginal populations is aged over 65 in Victoria compared with around 15 per cent in the mainstream community. While this may suggest that housing older people is a problem on a smaller scale than the ageing time bomb we are seeing in Victoria more widely, this is a misperception. In fact, because of the extraordinary socio-economic disadvantage they experience, Aboriginal people carry a far heavier burden of morbidity (illness and disability) and age earlier than the rest of the population. Higher rates of disability, greater early onset of dementia and a lack of culturally safe aged care for the increasing numbers of Elders reaching older age all present significant challenges.

The challenge is sharpened by the fact that forecast growth indicates the number of Elders over 60 will double over the 20 years from 2016 to 2036, from 4,359 in 2016 to almost 9,000 in 2036.

Complicating the challenge is the desire which significant numbers of Elders have to return to country towards the end of their lives and the limited housing options available to facilitate this. There are no statistics which capture this kind of 'spiritual homelessness'. Victoria faces real challenges in providing decent, secure housing for growing numbers of Elders, including significant numbers whose experiences as stolen generations' members are likely to make them particularly vulnerable to institutional aged care.

Contact with the Justice System

Housing insecurity and homelessness are major drivers of offending and incarceration. Housing is often a condition of bail, parole and corrections orders so its absence not only drives contact with the criminal justice system it also locks Aboriginal people inside that system, road-blocking pathways out.

In Victoria, the rate of Aboriginal incarceration has doubled over the past 10 years from 989 per 100,000 in 2008-09 to 1,898 per 100,000 in 2017-18.²³ Commentators have noted a related trend of increasing numbers of unsentenced Aboriginal prisoners being locked up in remand.²⁴

A trend towards harsher 'law and order' policing policies by both major parties has escalated over-representation. It has meant for example that: minor public order offences, such as offensive language, continue to be punished; police powers in relation to public drunkenness and arrest have been extended; the right to bail has been undermined with increasing exceptions (for property offences as an example); and

²⁰ Table 16A.2, Report on Government Services, 2019

²¹ CREATE Foundation Survey 2009

²² Productivity Commission, Report on Government Services 2019

²³ Productivity Commission Report on Government Services 2019

²⁴ [Thalia Anthony](http://theconversation.com/deaths-in-custody-25-years-after-the-royal-commission-weve-gone-backwards-57109), Associate Professor in Law, University of Technology Sydney, Deaths in Custody, 25 Years after the Royal Commission, we've gone backwards (<http://theconversation.com/deaths-in-custody-25-years-after-the-royal-commission-weve-gone-backwards-57109>)

maximum prison penalties and mandatory prison sentences have escalated.²⁵ Without changes to criminal justice policy, the criminal justice system will continue to be a driver of Aboriginal homelessness in Victoria.

Disability

The AIHW found that “In 2015, around 1 in 5 Australians reported living with disability and 1.4 million Australians reported a ‘severe or profound core activity limitation’.” Aboriginal Australians are twice as likely to have a severe or profound disability.²⁶ Specialist homeless services have noted a significant increase in people with a disability seeking housing and support services. Across Australia almost 29,000 people with one or more limitations with a core activity (self-care, mobility, and/or communication) presented to an SHS agency for assistance in 2016—17²⁷. Appropriate housing and support services in Australia for people living with disability are more difficult to access than for people without a core activity limitation.

It is a critical challenge to understand the extent to which the introduction of the National Disability Insurance Scheme is meeting the housing aspirations of Aboriginal Victorians. Currently around 5% of NDIS clients (all service types) nationally are Aboriginal, however the National Aboriginal Community Controlled Health Organisation (NACCHO)²⁸ believes this constitutes a significant under-representation rate. It has been estimated that over 100,000 of all National Disability Insurance Scheme (NDIS) participants in Australia will have an unmet need for affordable housing. The Commonwealth argues this is the responsibility of the mainstream housing system, which as we have seen in Part 1 is under significant duress.

Mental Health and Physical Health

Last year 17,772 Victorians who presented at homeless services cited mental health as one of the reasons they sought help and over 500 people each year are discharged from acute mental health care into rooming houses, motels and other homeless situations.²⁹ Aboriginal people are more likely to be managing mental health issues.³⁰ Mental health conditions are exacerbated by insecure housing and indeed the trauma and disorientation of homelessness can trigger first episodes of mental illness.

Large scale contemporary data on Aboriginal mental health in Victoria is limited. However, in 2012–13, there were 16,880 hospitalisations of Aboriginal Australians with a principal diagnosis of mental health-related conditions—amounting to 4.4% of hospitalisations of Aboriginal people and a rate of 24 hospitalisations per 1,000 population. The rate of hospitalisations of Aboriginal people for mental health-related conditions:

- was twice the rate for non- Aboriginal people (based on age-standardised rates)
- was higher than that for non- Aboriginal people in all age groups other than those aged 0–4 and those aged 65 and over, and
- rose by 40% between 2004–05 and 2012–13, while rates for non- Aboriginal people remained relatively steady over the same period (based on age-standardised rates).³¹

This over-representation in mental health morbidity continues to drive higher rates of homelessness. 11.4% of Aboriginal Australians who presented to homeless services in Australia in 2017-18 did so primarily because of a mental health issue. A further 8.6% presented with issues of mental health and family violence and a further 4.6% with issues of family violence and mental health and drugs/alcohol.³²

²⁵ Ibid

²⁶ AIHW *The Health and Welfare of Australia's Aboriginal and Torres Strait Islander peoples: 2015*

²⁷ AIHW *Housing Assistance in Australia 2018*

²⁸ The national peak body representing 143 Aboriginal Community Controlled Health Services

²⁹ Council to Homeless Persons 2019

³⁰ AIHW 2017-18

³¹ AIHW *The Health and Welfare of Australia's Aboriginal and Torres Strait Islander peoples: 2015*

³² Productivity Commission, 2019 Report on Government Services

Lower levels of physical health in the Aboriginal community, crystallised in lower life expectancy, are well documented. The 2019 Closing the Gap national report states that: “According to the latest ABS estimates, Indigenous males born between 2015 and 2017 have a life expectancy of 71.6 years (8.6 years less than non-Indigenous males) and Indigenous females have a life expectancy of 75.6 years (7.8 years less than non-Indigenous females). Between 2010–12 and 2015–17, Indigenous life expectancy at birth has improved by 2.5 years for Indigenous males and by 1.9 years for Indigenous females (both not statistically significant), which has led to a small reduction in the gap.”³³ These improvements do not meet agreed national targets.

The other major health indicator in the 2019 Closing the Gap report found improvements in child mortality are not sufficient to meet national targets. “In 2017, data show that 131 Indigenous children died.... This was equivalent to a rate of 164 deaths per 100,000, which was 2.4 times the mortality rate for non-Indigenous children (68 deaths per 100,000)..... While there was still a gap of 96 deaths per 100,000 children in 2017, there has been significant improvement over the long run, although at a slower rate than required to meet the target. Between 1998 and 2017, Indigenous child mortality rates declined significantly by 35 per cent from 217 per 100,000 children to 164 per 100,000 children in 2017. Over the same period, the gap between Indigenous and non-Indigenous child mortality rates also reduced significantly by 29 per cent.”³⁴

Despite these improvements, the continuing health gap remains unacceptable. These are compounded by insecure and inadequate housing. Affordable, high quality housing is a significant element in the solution to close the health gap in Australia. Secure housing is a critical platform for building better health. Major health challenges reduce social and economic participation, reduce earning ability and further contribute to housing stress and homelessness.

Conclusion

Significant life course events can have a major effect on housing stability and security. Many of the events which impel people towards housing crisis are experienced more frequently and more acutely by Aboriginal people. People who have stable, secure and high quality housing are less likely to experience life event crises and are better placed to manage them when they arise. A major seam of our work on this framework is to better understand how housing stability can be used as a platform to improve life outcomes for Aboriginal Victorians. Achieving safe, secure and affordable housing is an essential element in *Closing the Gap*. Doing so in a community-based way which reinforces cultural strength is vital. This is a focus of Morning Session E of the Summit.

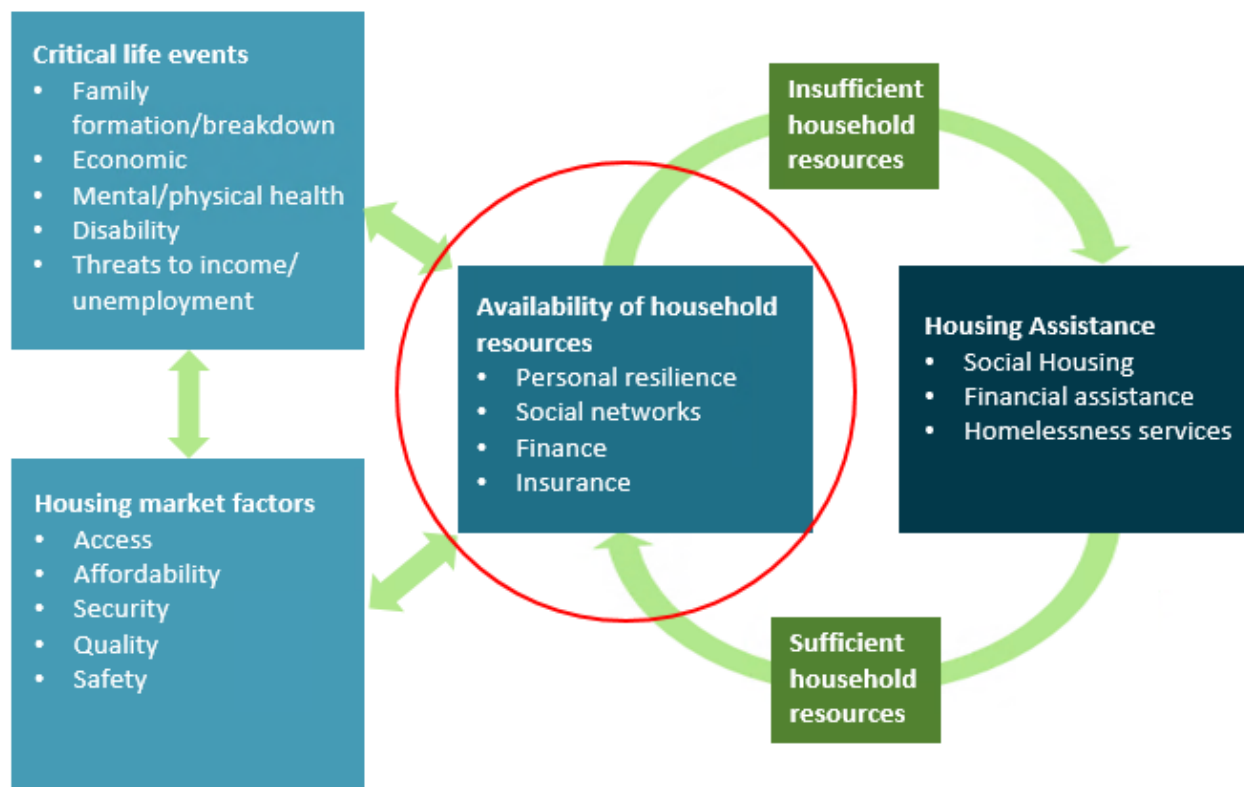
³³ Department of Prime Minister and Cabinet, Closing the Gap Report 2019

³⁴ Department of Prime Minister and Cabinet, Closing the Gap Report 2019

Part 3 - Availability of Household Resources

Figure 9: Drivers of requests for housing assistance – Availability of household resources

Drivers of requests for housing assistance



Source: Australian Institute of Health and Welfare 2018

Overview

Like other elements of the model, this part of the AIHW model requires some adaptation for the Aboriginal community, in the sense that while immediate **material** household resources are generally more limited in Aboriginal families, community identity is enormously strong and provides for stronger social networks which can support personal and household resilience.

Some strong features of Aboriginal culture serve to mask housing demand as a consequence of an engrained cultural commitment to share resources, care for Elders and support extended family, including young people and children at risk. One measure of this is the very significant over-representation of Aboriginal young people in couch-surfing data.³⁵

Financial Resources

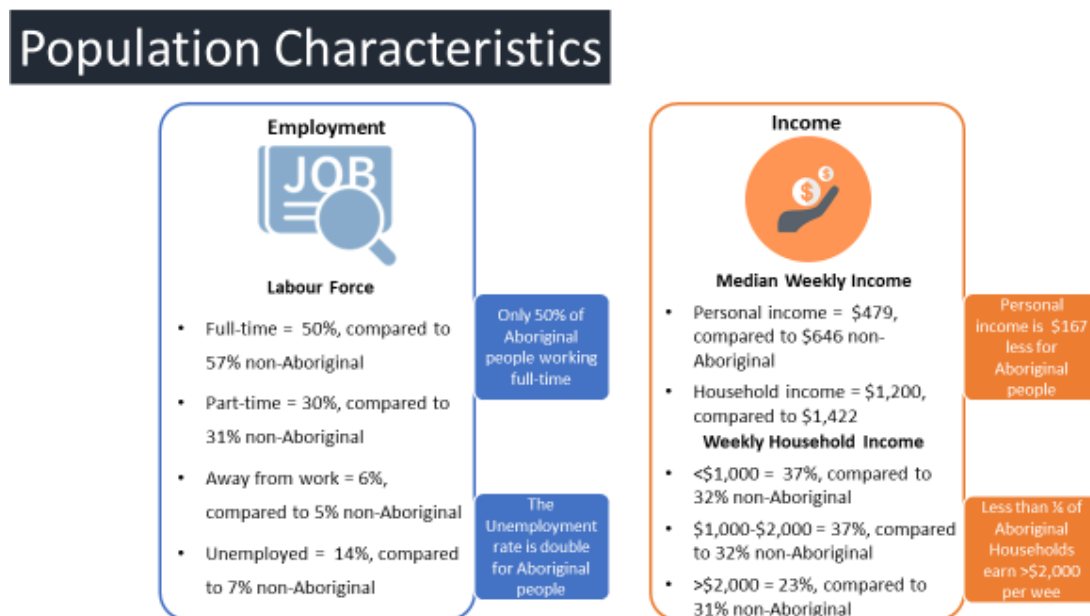
In terms of financial resources Aboriginal households have:

- Higher rates of unemployment
- Lower average weekly incomes
- Lower rates of home ownership
- Higher rates of morbidity which strain household resources (including alcohol and drug issues).

³⁵ AIHW Homelessness Amongst Indigenous Australians 2014

Median household incomes of Aboriginal Victorians are lower than the general population. The median weekly personal income of Aboriginal Victorians was \$479 in 2016, representing 74% of the median weekly personal income for the Victorian population as a whole (\$646). Aboriginal people have lower average levels of educational attainment, unemployment is higher and rates of economic participation are lower. At the time of the 2016 census, the unemployment rate for Aboriginal Victorians was 14% compared to 6.6% for the total Victorian population.

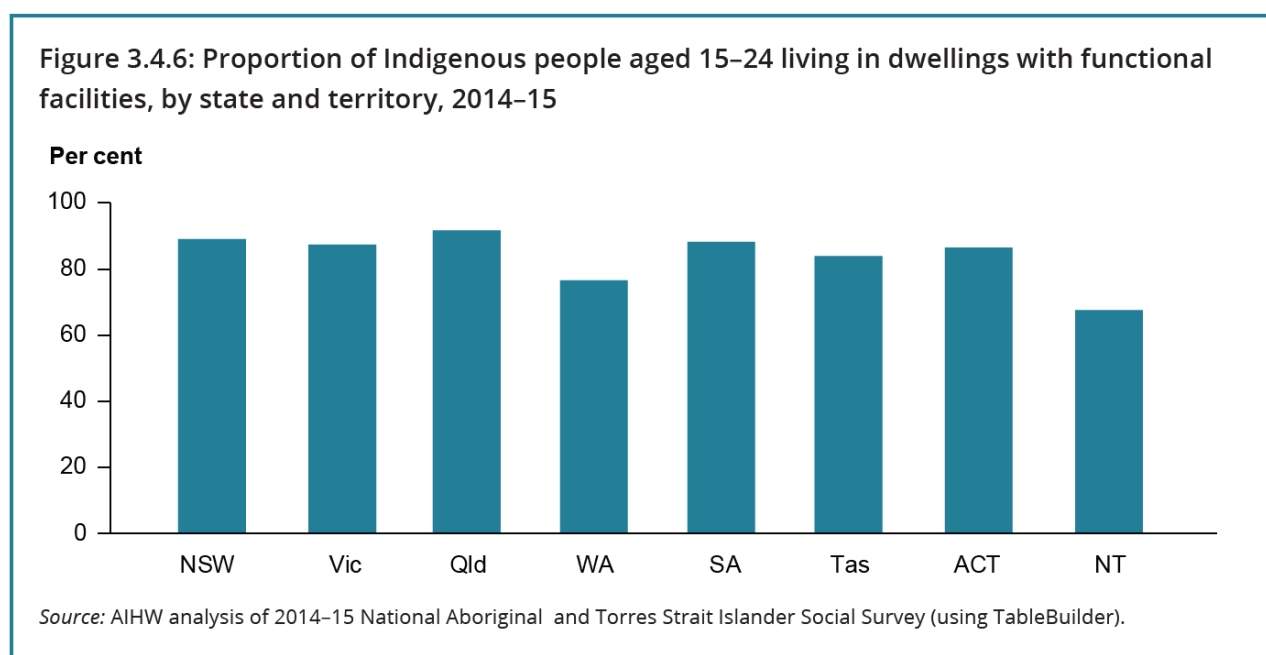
Figure 10: Victorian Aboriginal people population characteristics



Source: ABS Census 2016

Aboriginal young people are also more likely to be living in households in which core functional facilities are compromised. Among those aged 15–24 who lived in such dwellings, the most commonly reported non-functional facilities were cooking facilities (44% or 8,300), washing machines (39% or 7,400), fridges (26% or 5,000), laundry tubs (25% or 4,700) and baths or showers (20% or 3,700). In Victoria, more than one in ten Aboriginal young people live in houses where there is at least one core functional facility not working.

Figure 11: Proportion of Aboriginal people aged 15-24 living in dwellings with functional facilities, by state and territory, 2014-15



Source: AIHW, *Aboriginal and Torres Strait Islander adolescent and youth health and wellbeing 2018*

Access to banking finance or to the insurance which provides coverage in times of financial stress are simply not available to many Aboriginal households. Without extensive generations of home ownership in their families, many young Aboriginal people are missing ‘the bank of mum and dad’ who some of their peers may draw on to get them a start in the housing market or to help get the bond together for a private rental property.

Community Strength

While Aboriginal households on average have fewer material resources, the strength of Aboriginal culture is a protective factor which informs relationships between individuals and families. Aboriginal households are generally more open and flexible. They are more likely to care for Elders, be kinship carers and cater for large extended and mobile families. Housing and tenancy policies need to support and enable Aboriginal approaches to caring for family and extended kinship groups.

The dynamics of Aboriginal community solidarity and collective support has significant implications for housing service systems. Understanding these implications is a major focus for the summit. It is critical that Governments adjust service expectations to work with the strengths of culture to build more responsive and respectful service paradigms. This is critical in compensating for limited material resources within many individual households.

Conclusion

Central to this thinking is the critical issue of the development of a treaty and extension of native title in Victoria. An important challenge is to facilitate housing on country which may require planning system changes, including Indigenous Land Use Agreements. The United States and Canada have examples of special forms of title for housing on treaty land which may warrant further exploration.

The Aboriginal Housing and Homelessness Framework could explore opportunities to develop strategies to:

- Build wealth through or share of tax payments related to traditional owner land.

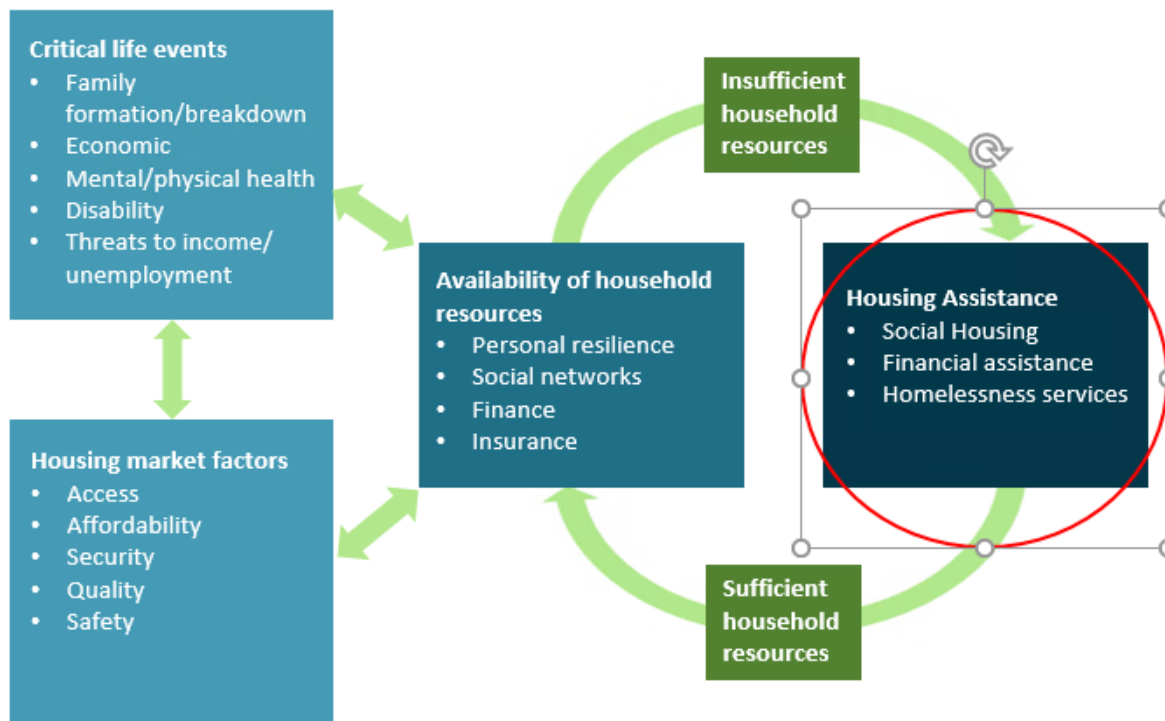
- Support spiritual well-being and build protective factors by establishing spaces for healing, ceremony and connection on land.
- Build opportunities for young people who want to live and work on country and bring up their families there.
- Explore housing opportunities on country as part of Treaty negotiations.
- Create safe spaces for Elders on country.

The summit will explore strengths which the Aboriginal community brings to these systems to change the paradigm of housing and home for Aboriginal Victorians.

Part 4 - Housing Assistance

Figure 12: Drivers of requests for housing assistance – Housing Assistance domain

Drivers of requests for housing assistance



Source: Australian Institute of Health and Welfare 2018

Source: AIHW Housing Assistance in Australia 2018

Much of the focus of Government discussion on housing policy is narrowly centred on Housing Assistance - the interventions which are available when housing crisis occurs. This narrow focus ignores the structural factors examined in this paper which place disadvantaged people in circumstances which make their failure in the housing market likely, if not inevitable. Prevention of crisis can only be achieved with structural change, including both greater respect for cultural strength and community based interventions and a rebalancing of incentives in the housing market from those with the most resources to those with the least. However, in the short term, the adequacy of housing assistance is fundamental.

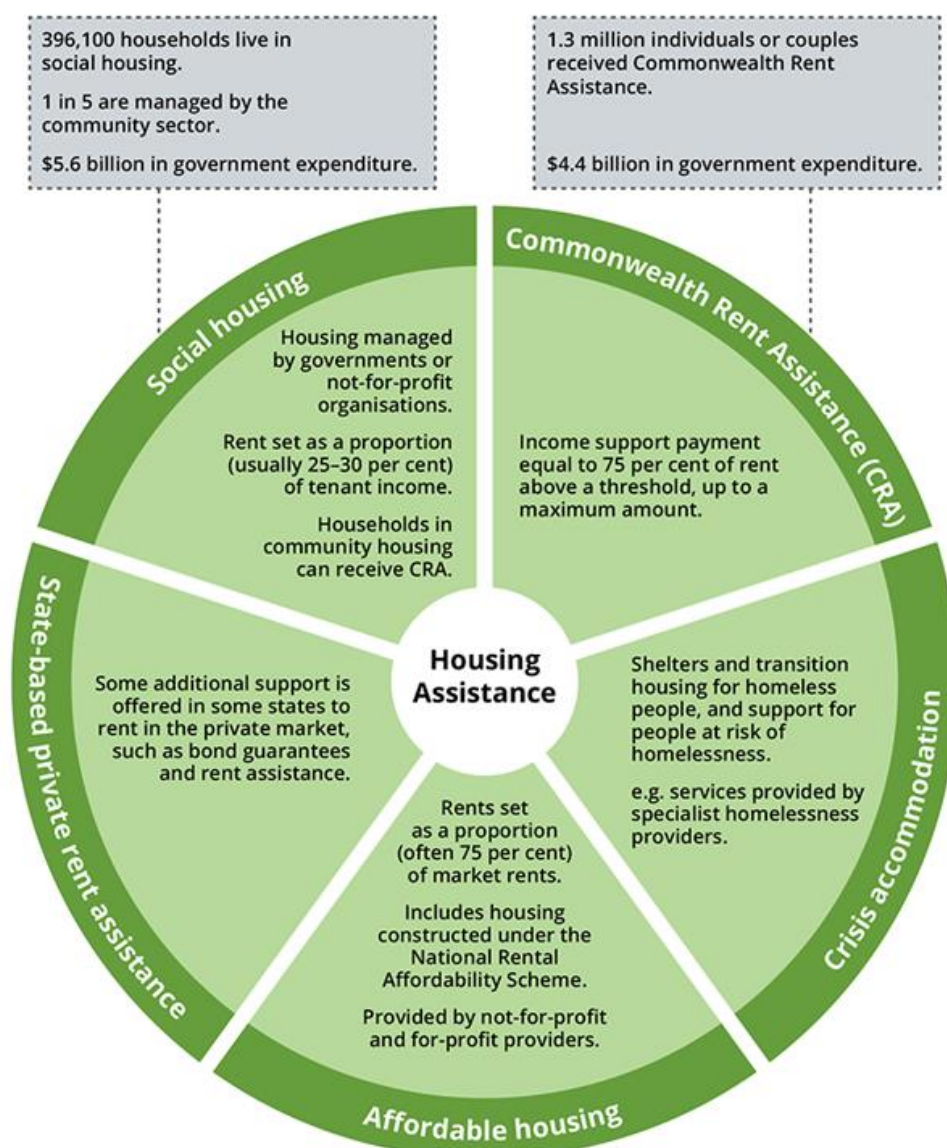
Housing Assistance takes three broad forms:

- Social Housing (public or community) or capped rental accommodation (Mainstream/Aboriginal specific)
- Homeless Services, including crisis accommodation (Essentially mainstream)
- Financial Assistance, principally Commonwealth income support and rental assistance (Mainstream)

In broad terms the diagram below represents the mainstream housing assistance system:

Figure 13: Primary forms of housing assistance in Australia, 2016-17

Figure 2.3 Primary forms of housing assistance in Australia, 2016-17



Source: AIHW Housing Assistance in Australia 2018

The question that arises is whether the Housing Assistance available is at a scale to meet the challenge and is fit for purpose. This includes questions of whether housing assistance is adequate in terms of volume, quality, accessibility and cultural sensitivity. Unfortunately, the evidence available – in the form of 10,885 Aboriginal Homeless clients in Victoria in 2017-18 – indicates that the system is falling short on most measures.

Volume of Assistance

In determining the adequacy of volume we can look at questions such as:

- Whether social housing is meeting demand and keeping up with population growth
- Whether eligible homeless clients are receiving a service
- Whether people in receipt of income support and rent assistance can afford stable accommodation, and
- Whether there is sufficient crisis accommodation to meet demand from homeless clients.

The evidence does not support affirmative answers to these questions.

- Victoria's net social housing unit growth (including public and community housing) over the past ten years is crudely in the order of 7,500 units over a period when the population has grown by around one million people.
- The unmet demand for homelessness services in Victoria has risen for each of the past three years and is higher than national unmet demand – approaching 40 per cent of all clients whose demand was not met.
- There are fewer than 4,000 temporary/crisis accommodation units in Victoria to assist 116,872 homeless clients in Victoria in 2017-18. Many housing providers have publicly stated that they consider many of these to be unfit for purpose.

Quality of Assistance

In determining the adequacy of quality we can look at questions such as:

- Whether homeless clients remain homeless or are housed following their engagement with homeless services
- Whether homeless clients have a case plan following this engagement, and
- Whether homeless clients who are assisted into long-term housing receive the assistance they require to sustain their tenancies and break the cycle of homelessness.

Our response should be informed by the following evidence.

- In 2017-18 only 57.2% of Aboriginal homeless people were independently housed following their contact with homeless services.
- Fewer than half of all Victorian Aboriginal homeless clients (47.2%) had a case plan in place in 2017-18. This was one of the lowest rates of any Australian jurisdiction. The Australian average was 62.5% for ATSI clients. The most common reason for this failure in Victoria was that the support period was too short. This was the case for more than a third (35.8%) of Victorian Aboriginal clients, but fewer than one in four for the rest of Australian Aboriginal clients (23.2%).
- AHV's tenancies are remarkably stable - 91.4% of tenancies were maintained in the 2017-18 financial year. Similar patterns of stability in mainstream community housing are not supported by the productivity commission data in Table 4 (below) which shows significant changes in the numbers of Aboriginal households from year to year over the past five years.

Table 4: Total Aboriginal and Torres Strait Islander households in mainstream community housing in Victoria

Year	Aboriginal Household
2018	354
2017	450
2016	430
2015	362
2014	492

Accessibility and Cultural Sensitivity

In determining the adequacy of accessibility we can look at questions such as:

- Whether mainstream social housing, homeless services and income support systems are culturally sensitive and responsive to Aboriginal people.

Most housing assistance is locked in the mainstream services system, where it remains harder to navigate and more inaccessible to Aboriginal Victorians than others. There is currently no requirement for mainstream housing providers and homelessness workers to demonstrate cultural competence, nor any validation. This suggests that, despite substantial official over-representation in homeless numbers based on access to support services (in the order of 10-11 times their share of the population), such estimates are likely to mask the extent of housing disadvantage experienced by the Aboriginal community.

Improving the accountability, accessibility, responsiveness and cultural safety of the mainstream housing assistance system is a major goal of the Aboriginal Housing and Homelessness Framework. This includes, building its capacity to work with specialist Aboriginal services as well as adapting practice to provide a good, accountable service to Aboriginal Victorians. Papers in the morning session of the summit will consider the shortcomings of this system and work with participants to identify improvements which the Government can institute.

Aboriginal Community Housing Assistance

The Aboriginal Community Housing sector includes Aboriginal Housing Victoria, Aboriginal Co-operatives (which provide community housing on a small scale) and a small number of homeless support services without state wide coverage.

While support for the Aboriginal housing service system is critical to self-determination, the Aboriginal sector does not yet have anything like the scale required to meet rising demand for accommodation services.

Aboriginal Housing Victoria (AHV)

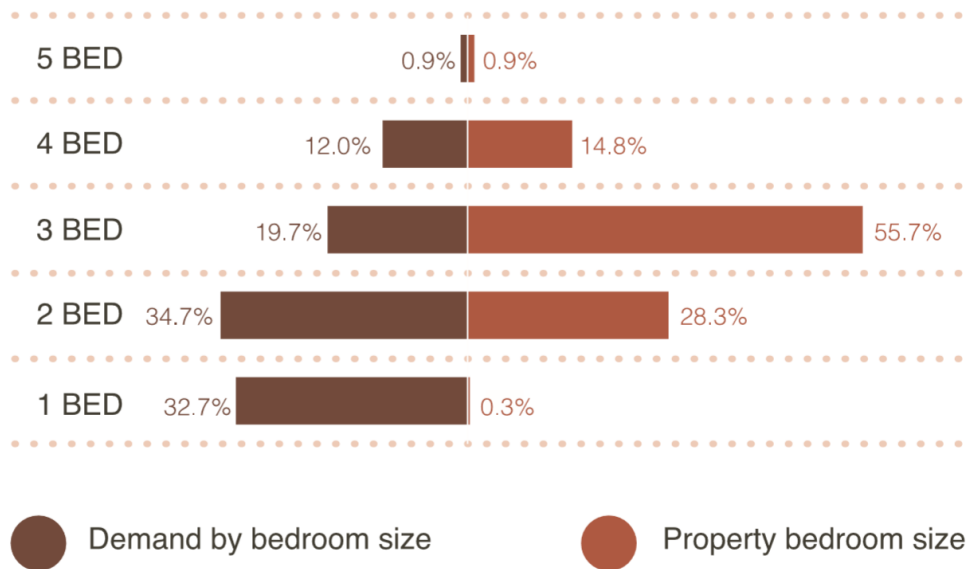
AHV is the largest Aboriginal housing organisation in Australia and achieved accreditation as a registered housing association in 2016. Unlike most Victorian community housing agencies, AHV provides culturally appropriate housing services to low income Aboriginal Victorians throughout metropolitan and regional Victoria.

AHV manages a \$500m portfolio, which includes 1,555 housing units (as at 1 July 2018). AHV's portfolio includes 1,448 properties formerly owned by the Director of Housing (DHHS). The transfer of the properties represents one of the most significant acts of self-determination in Victoria's history. AHV has recently signed an agreement with DHHS to participate in the Victorian Housing Register (VHR) and has committed to allocating a minimum of 75% of vacancies to applicants approved for priority access. Since its inception, AHV has directed its services towards those in greatest need.

AHV's support for Aboriginal tenants through our *More than a landlord* program uses the platform of stable accommodation to build pathways out of disadvantage for people whose lives have previously been characterised by crisis and trauma. This significantly reduces demand for acute and tertiary Government services. By owning and professionally managing Aboriginal social housing, AHV aims to be an exemplar of effective self-determination as a preferred housing provider for Aboriginal Victorians.

However, there continues to be a significant mismatch in AHV's housing stock relative to that demanded by the community. Of the 1,555 housing units owned by Aboriginal Housing Victorian (AHV), the majority (56%) have 3 bedrooms, followed by 2 bedrooms (28%) as shown in **Figure 16** below:

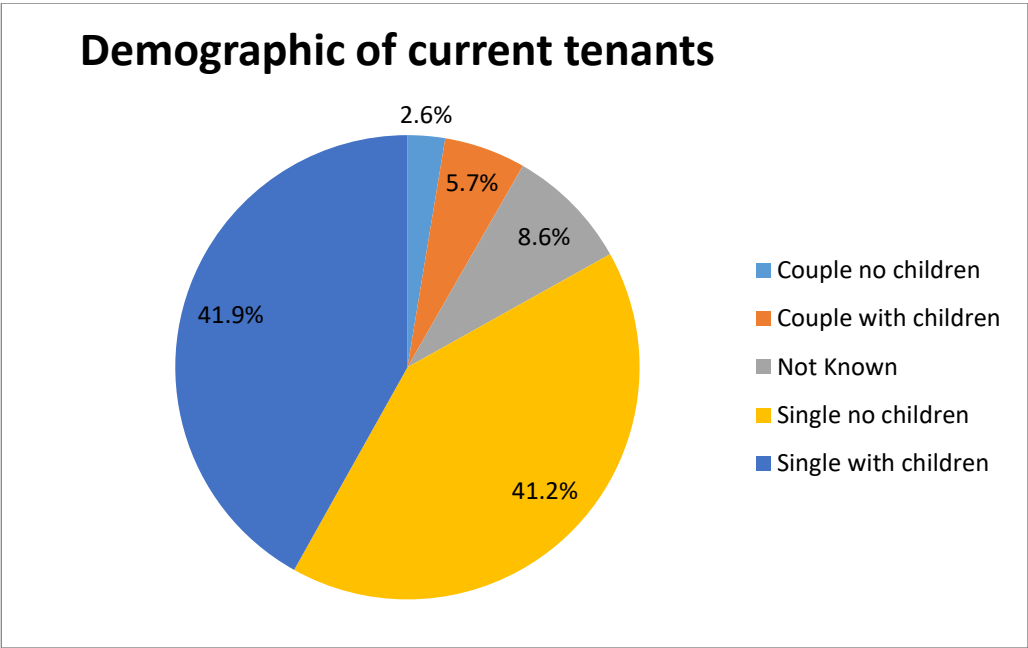
Figure 14: Mismatch of AHV properties by size, and demand, 2018



Source: AHV Analysis

However, the greatest demand for AHV housing is from smaller households, including singles, seeking one or two bedroom properties. At the end of the 2017-18 financial year, AHV had a total of 808 applications approved to the waiting list. Of these, 33% of applicants requested 1 bedroom units and 35% requested 2 bedroom properties. Demand for smaller housing units is already reflected in the demography of existing AHV tenants, over 40% of whom are single people with no children. AHV is failing to provide sufficient new social housing of the proportions needed to meet existing and projected demand. There is an acute shortage of one bedroom properties in particular.

Figure 15: AHV tenancies – demographics of tenancies 2018



Source: AHV Analysis 2018

Aboriginal Co-operatives

Victoria's Aboriginal co-operatives play an important role providing supplementation of AHV stock in culturally safe ways, often in places of great significance to the community. They currently manage around 360 social housing units in total, providing vital housing security to community members in high need. Because co-ops provide housing as a small part of a far wider suite of services - some provide as few as six units - they face intense challenges in meeting the regulatory requirements designed to enforce compliance of housing providers of far greater scale.

The Aboriginal housing sector in Victoria has become more effective and professional over the past decade and continues to develop greater capability. However, the sector does not yet have the capacity to undertake social housing development at the scale required to address projected demand.

While opportunities exist to form partnerships with other housing providers, far greater resources are required to extend the social housing supply to meet demand projections. The sector will also have a critical role in assisting Aboriginal Victorians to access private markets where this is a desirable option for particular families and individuals.

Aboriginal Specific Homeless Services

The closure of the Aboriginal hostel system appears to have left a significant gap in the homeless support system for Aboriginal people. A small number of organisations deliver important but relatively small scale Aboriginal-specific homeless services. Examples include VACCA's Kurnai Youth Homelessness Program. Based in Morwell, the program assists Aboriginal young people who are homeless, or at risk of homelessness, to find long-term, affordable housing. Similarly, Ngwala Willumbung Ltd provides Specialist Homelessness Services to Indigenous men, women, families and young people who are experiencing, or at risk of, homelessness with timely access to assistance and/or referral. The program provides access to short term/crisis accommodation in Southern and Eastern Metropolitan Melbourne.

Despite these examples of culturally strong, community based support, there is not a state wide system of specialist support in keeping with the scale of the problem. More Aboriginal agencies have the knowledge, understanding and range of services to become an entry and referral point, but are not currently resourced to do so.

Conclusion

This paper has explored structural determinants of housing disadvantage through the lens of Aboriginality. Many of these drivers are impacting Victoria's Aboriginal population to a disproportionate extent, including:

- Serious housing market failure
- Greater vulnerability to critical life events
- Seriously constrained household economic and financial resources
- Major inadequacies in the scale, quality and accessibility of housing assistance.

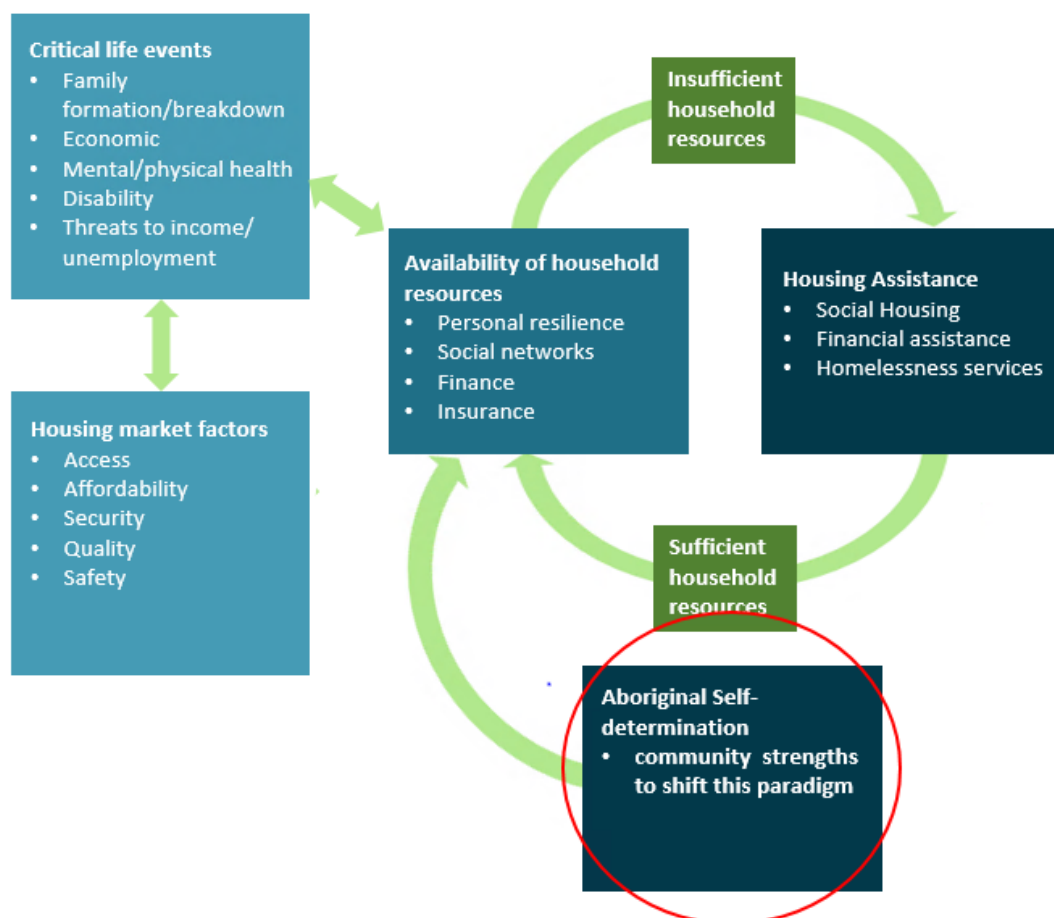
The consequence is endemic, extensive and growing levels of homelessness, vastly higher than national average rates for Aboriginal people.

The summit program explores many of these drivers in greater detail, seeking to move from a diagnostic approach to a solutions focus. Each session of the program will seek to describe a discrete challenge and then identify potential reforms which may lead to better housing outcomes for Aboriginal Victorians. We will be seeking your assistance to critique these challenge statements and potential reform approaches and add your suggestions for solutions. Ultimately, we hope to arrive at a new paradigm for understanding the Aboriginal experience of housing and home.

As **Figure 18** illustrates, our challenge is to add a new domain to the housing picture, to understand the strengths we bring to change this story.

Figure 16: AHV tenancies – demographics of tenancies 2018

Drivers of requests for housing assistance



Source: Adapted from Australian Institute of Health and Welfare 2018

By the end of the summit we expect to have built a range of ideas to improve our community's experiences in terms of our:

- Interaction with the housing market
- Support to negotiate critical life events
- Access to Housing Assistance (cultural safety in the mainstream and capacity building in a culturally strong, community-based Aboriginal sector), and
- Support for households and the community based on principles of self-determination and community ownership.

A critical challenge exists for us to articulate how we can bring a community-centred, strengths based approach to bear to disrupt this paradigm and create a new model of housing security for Aboriginal people in Victoria.