



Media release - Tuesday 2 May 2017

Victorian Government invests to address homelessness but peak warns homelessness could still increase without Federal Government action

The peak Victorian body for homelessness has congratulated the State Government on the significant housing, homelessness and family violence investments in today's State Budget.

Jenny Smith, CEO, Council to Homeless Persons (CHP), says that the peak is particularly pleased with the inclusion of newly announced resources to redevelop family violence refuges and provide long-term housing options for families fleeing violence including:

- \$83 million to redevelop 13 refuges to a core and cluster model
- \$48 million for 110 public housing properties for families fleeing family violence
- \$2 million for new headleased housing for families fleeing family violence

The Budget also includes the initiatives in the Homes for Victorians Housing Plan, including:

- [\\$1B Social Housing Growth Fund](#) which will generate \$70 million p.a. for social housing
- [\\$1B in loan guarantees](#) to reduce the cost of borrowing for Housing Associations

The Council to Homeless Persons (CHP) says that today's budget is good news for 23,000 Victorians without a home, but warns that turning the tide on the homelessness problem is a slow process.

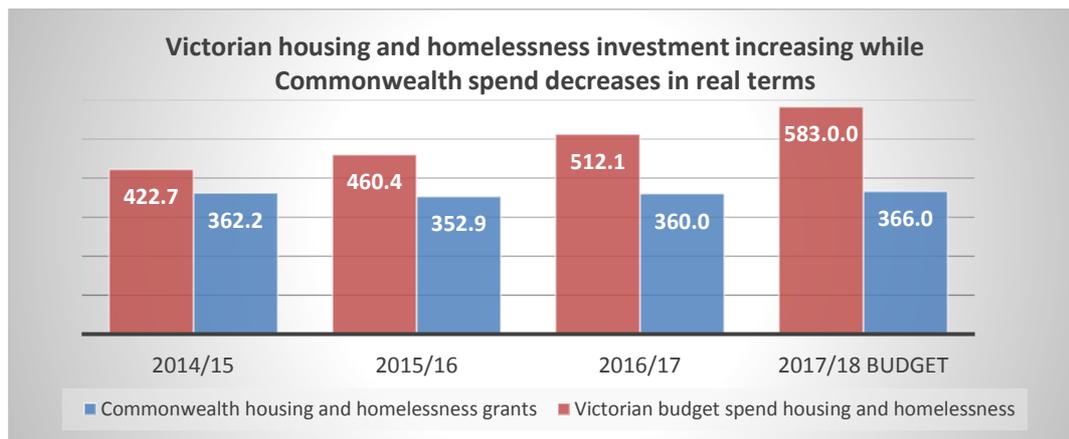
"Today's homelessness crisis is the result of years of neglect and under-investment by successive State and Federal Governments, and it's going to take years of sustained investment to reverse the situation," said CHP's CEO, Ms Jenny Smith.

"The chronic shortage of housing that is affordable for people on low incomes is the main reason homelessness is increasing, and this can't be fixed without both State and Federal Governments working together.

Currently 35,000 households are on the public housing wait list in Victoria, and tens of thousands more are struggling in poverty just so they can pay the rent," said Ms Smith.

"The Victorian Government has delivered a solid State Budget which shows a genuine commitment to tackling homelessness. But we can't end homelessness in one budget cycle, and we definitely won't end homelessness without a huge boost in the supply of affordable housing and increased efforts to prevent tenancy breakdown."

“The Federal Government needs to follow Victoria’s lead and increase spending on social housing and homelessness, instead of continuing their trend of decreasing investment in real terms. (see chart below)



“The next urgent priority is a dedicated stream of public housing for single people, because single people on low incomes have effectively run out of places where they can afford to live,” said Ms Smith.

CHP has been calling for a 10,000 one-bedroom social housing dwellings targeting single people on low incomes to avoid people being forced into rooming houses, caravan parks or onto the street.

“The Anglicare rental affordability snapshot released last week showed that just 2-in-200 rental properties in Victoria would be affordable to a single person on a Centrelink income. They are just horrifying statistics if you’re a single person trying to find housing you can afford,” she said.

CHP says that without Federal Government action on housing affordability, Victoria is trying to hold back the tide on homelessness.

“We keenly await the Federal budget, which must include a direct increase in spending on public and community housing. We are concerned there may be some repurposing of the \$1.35 billion in the National Affordable Housing Agreement currently providing social housing and homelessness services. Also needed is a commitment to winding back capital gains tax and negative gearing concessions,” said Ms Smith.

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