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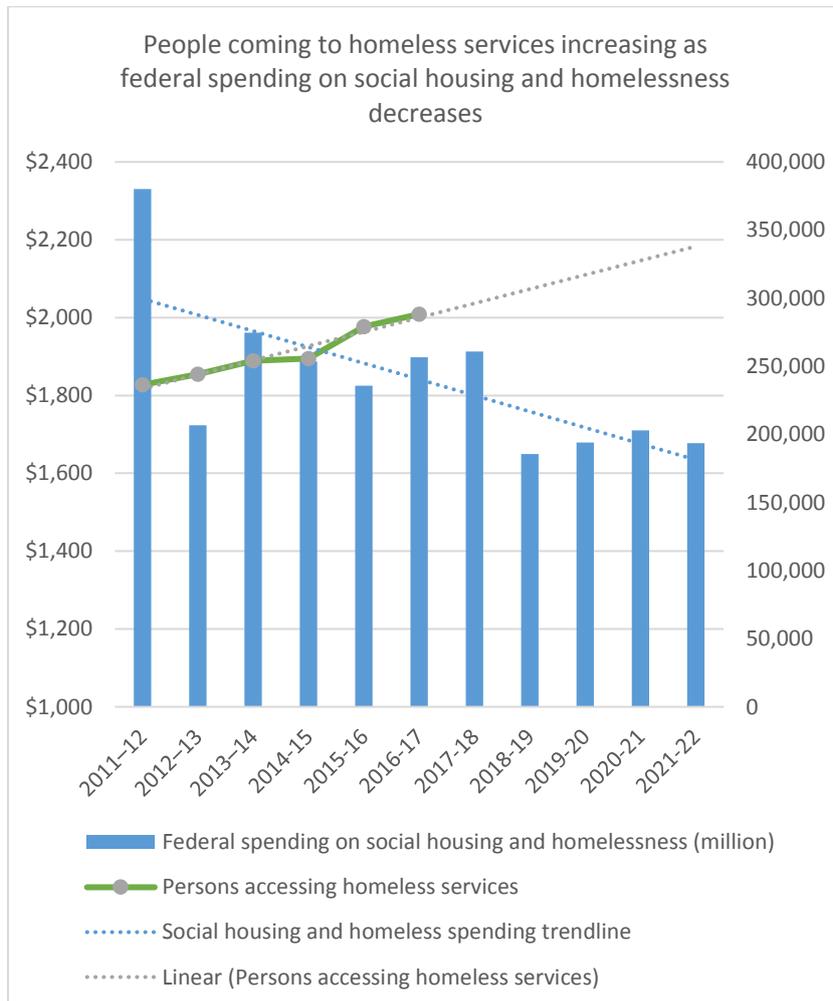
## ‘Short sighted and heartless’ budget delivers nothing to stem the rise of homelessness

Homelessness Australia (HA) has labelled the Federal Budget ‘short-sighted and heartless’, after it was revealed there will not be any extra funding for either social housing or homelessness services. This is despite the number of people needing homelessness assistance increasing year-on-year.

The budget shows that federal homelessness and housing funding will drop to \$1.54 billion next financial year, the lowest level in a decade. HA’s analysis of the Budget papers shows that there has been a 16 per cent decline in federal spending on housing and homelessness over the five years to 2018-19.

“It’s short-sighted and heartless to neglect homelessness services, and to let ageing social housing stock dwindle. We’ll be forced to turn even more people away, many of whom will end up in our hospitals, prisons and mental health facilities; when all they need is a home,” said Jenny Smith, Chair, Homelessness Australia.

“It is irresponsible for government to stand on the sidelines wringing its hands while Rome burns. We need the government to bolster the services that do the heavy lifting, and to build more housing that people on the lowest incomes can afford; it’s as simple, and as difficult, as that.”



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Homelessness Australia has warned that without more investment in social housing, the number of people accessing homelessness will hit close to 350,000 people each year by 2022.

The peak says failure of successive governments to build enough social housing to keep up with population growth and with demand is to blame for the homelessness crisis.

“Homelessness has bourgeoned because we reward investors for acquiring many properties for the top end of the market, while neglecting to build low-cost housing for people on the bottom rungs of the income ladder,” said Ms Smith.

“There does not appear to be any desire to change the status quo at the federal level. The gap between the rich and poor gets wider every day while we wait in vain for ‘trickle-down economics’ to solve what has become a humanitarian crisis,” she said.

Social housing stock as a proportion of all housing has dropped to the lowest level on record, with just 4.7 per cent of all Australian houses being community and public housing, down from 5.3 per cent in 2005-06.

Homelessness Australia also slammed plans to deduct State fines from people’s welfare payments without their agreement.

“People should be accountable for fines they’ve incurred, but skimming already meagre social security payments is ruthless,” said Ms Smith.

The modest tax cut of \$10.50 per week announced for low and middle income earners is a ‘nice-to-have’ inclusion in the budget, said Ms Smith, “but it won’t go far for those living on the precipice paying fifty per cent or more of their income in rent.”

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