



**CARERS VICTORIA SUBMISSION
INQUIRY INTO HOMELESSNESS IN VICTORIA**

MARCH 2020

AN AUSTRALIA THAT VALUES AND SUPPORTS ALL CARERS

ABOUT CARERS VICTORIA

Carers Victoria is the state-wide peak organisation representing people who provide care. We represent more than 736,600 family carers across Victoria – people caring for someone with a disability, mental illness, chronic health issue or an age-related condition.

People receiving care could be a parent, child, partner, grandparent, other relative or friend. Carers Victoria is a member of the National Network of Carers Associations, and the Victorian Carer Services Network. Carers Victoria is a non-profit association which relies on public and private sector support to fulfil its mission with and on behalf of carers.

Carers Victoria is a membership-based organisation. Our members are primarily family carers, who play an important role in informing our work, contributing to advocacy and strategic aims, and distributing information more widely to other carers.

This policy paper was prepared by Carers Victoria's Policy and Research Team and is informed by insights gained through the delivery of carer supports and services. Carers Victoria frequently receives feedback from individuals, carer support groups, staff, network partners and committees. The case studies and quotes used throughout use pseudonyms to ensure carers' confidentiality.

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Executive summary

Carers Victoria commends the Legal and Social Issues Committee for inquiring into and considering the state of homelessness in Victoria. The number of people experiencing homelessness in Victoria has grown significantly and is now estimated at 24,817.¹

There are three parts to this submission. The first discusses the economic consequences of care responsibilities and the subsequent impact on carers' opportunities to realise their housing goals. The second part considers three cohorts of people who require care and the interrelationship between housing, family and support needs: adults with disability living with their ageing parents, children with disability and people living with mental illness. In the third part Carers Victoria makes recommendations to improve the Government's current Housing strategy – 'Homes for Victorians'.

This submission does not intend to be prescriptive about what makes a good home. Carers Victoria believes individuals and households will have a range of needs and preferences when they think of housing goals. A housing goal can be as simple as having access to a secure physical structure which provides shelter to individuals or families. Built to universal design standards means physical or sensory disabilities are no barrier to living an ordinary life. A housing goal may also mean the opportunity to continue to live in one's community – despite rising costs – if one's home is improved by access to energy efficiencies (inbuilt or retrofitted). Housing goals can mean people from marginalised communities can envision one day when they are supported as homeowners rather than permanent tenants.

It is the purpose of this submission to highlight the significant barriers to carers' financial security. We will demonstrate carers are confronted with fewer options to achieve their housing goals in an environment where housing and other living expenses are increasingly unaffordable.

Therefore, the recommendations made in this submission involve measures to improve access to affordable housing for Victorian carers in their own right by reforming service delivery in the housing, disability, ageing and mental health sectors. Carers Victoria also highlights the limitations of the 'Homes for Victorians' strategy and makes suggestions for its improvement.

At a foundational level, Carers Victoria urges the Government to view the provision of housing to the community as a positive investment which will reap economic and social benefits over time, rather than a low benefit to cost ratio with little or no return on investment and a high cost burden of managing tenants.

¹ Australian Bureau of Statistics (2016) 2049.0 – Census of Population and Housing: Estimating Homelessness, 2016
<https://www.abs.gov.au/ausstats/abs@.nsf/mf/2049.0>

Introduction

The purpose of housing for the general population is undergoing a transformation. In the 20th century, housing was primarily a place to care for children as they matured to independence in their 20s, leaving 'empty nesters' to downsize to smaller housing in retirement. In the 21st century, young adults live with their parents for much longer and there will be a far more significant role in care for adults as the population ages and becomes more vulnerable to disability.²

Housing for some groups of people takes on special meaning because the right of people with disability or mental illness to live with family or independently is relatively new. De-institutionalisation reforms resulted in the closure of the last remaining congregate care facility for people with a disability in 2019. Government policies continue to support the growing number of older Australians to age at home. Today the Victorian Government recognises housing is a basic human right. Yet, such policies rarely reflect on the availability, affordability and appropriateness of housing. Governments have presumed families will cover increasingly unaffordable costs of housing, while ignoring the fact that undertaking a caring role precisely impacts on an individual or family's ability to do so.³

Carers face significant barriers to their financial security. In an environment where housing and other living expenses are increasingly unaffordable, carers are confronted with fewer options to achieve their housing goals and those of their family member(s).

Carers Victoria believes the increased availability of affordable and appropriate housing will help sustain care relationships by fostering independence across the life-course in the same or different households. Some care relationships are supported and sustained by accessible transport or modifications such as wider doorways, bathroom hoists, ramps or lower kitchen benchtops, as well as specific environmental adjustments such as quiet rooms to minimise behaviours of concern. Other care relationships are supported when parties to the care relationship live independently of each other. Many economic factors and policies identified and discussed in this paper hinder care relationships from flourishing in the most appropriate housing situation.

² Beer, A. Faulkner, D. The housing careers of people with a disability and carers of people with a disability AHURI issue 107, May 2009

³ Industrial Relations Victoria, Department of Premier and Cabinet (2020) Victorian Government Submission to the Commonwealth Government's Review of the Retirement Income System

Background: carers in Victoria

There are 736,600 Victorian carers, representing 13 per cent of Victoria's population:

- One in eight Victorians is an unpaid family or friend carer
- 55 per cent are women and 45 per cent are men
- 78 per cent live with the person receiving care
- 72 per cent live in major cities, 23 per cent live in regional areas and five per cent live in rural Victoria
- 10 per cent are young carers (<25 years), 68 per cent are aged 25-64 years and 22 per cent are aged 65+ years
- 31 per cent report living with a disability themselves
- 58 per cent participate in the workforce⁴, and
- Approximately 30 per cent of Victorian carers were born overseas.⁵

Carers who identify as Aboriginal and Torres Strait Islander or Lesbian, Gay, Bisexual, Transgender, Intersex and/or Queer/Questioning (LGBTIQA+) or who are under 15 years of age are yet to be consistently incorporated into carer data sets.

Victorian Carer Strategy 2018-22

Any recommendations emerging from the Inquiry into Homelessness should complement the whole of government Victorian Carer Strategy 2018-22 and strengthen future strategies.

The Strategy sets out a framework to better recognise and support carers and outlines ways carers, peak organisations, service providers and communities will work with the State Government to address five key priorities. For the purposes of the Inquiry into Homelessness, Priority Four is pertinent to the Committee's interest in the economic and policy factors that impact on homelessness.

The five key priorities are:

1. Carers have better health and wellbeing
2. Carers are supported in school, study and work environments
3. Carers can access support and services that meet their needs
- 4. Carers have less financial stress**
5. Carers are recognised, acknowledged and respected.⁶

⁴ Australian Bureau of Statistics (2015), Survey of Disability, Ageing and Carers, Australia, Victoria, Catalogue # 4430.0

⁵ <http://www.nslhd.health.nsw.gov.au/Services/Carer/resourcesforcarers/Documents/Hidden%20Carers.pdf>

⁶ Carers Victoria, 2017. Developing a Victorian Carer Statement, pp. 46.

Carers Victoria is committed to working with the Victorian Government to achieve these objectives which individually and collectively will all improve the lives of carers.

How caring affects housing goals

Renting

Case study

Jane is 70, divorced and the sole carer of her adult son John who lives with an Acquired Brain Injury (ABI). John receives the Disability Support Pension (DSP), has significant out of pocket medical costs and is unable to afford his private rental since his former partner moved out. Jane also lives in private rental due to a failed business some years ago which forced her to sell her home and other assets. She has a low superannuation balance. Although working full time in a professional role, Jane pays both her and her son's rent and is fearful for their housing futures. "I am well past 'retirement age', but I can't stop working until I see my son is secure. I'm more worried about him than myself because if he doesn't have me, he has no-one." Should Jane be forced to retire through ill health or redundancy, both she and her son will be at risk of homelessness.

Renting in the private market is becoming a long-term option for more Australians, including older people on fixed incomes and families with children. The Victorian Government's own reform of Residential Tenancies was prompted by the steady increase of people living in a rented property in Victoria, growing from 24.4 per cent in 1996 to 28.7 per cent in 2016.⁷

While renting has become more common among households in all income brackets, the Productivity Commission recently found "the strongest growth [in private renting] has been among low-income households, especially those with families".⁸ As already stated in this submission, 50.2 per cent of Australian carers surveyed lived in a household in the lowest two income quintiles.

Many households' experience of rental stress is relatively short-lived (under 12 months) and is resolved by obtaining a higher income. However, other households experience longer-term housing stress by becoming 'stuck', with about half of these households still experiencing rental stress four years later.⁹

⁷ ABS, 2016 Census.

⁸ <https://www.pc.gov.au/research/completed/renters/private-renters.pdf>, page 3.

⁹ Ibid.

Current median weekly rents are \$420 in metropolitan Melbourne and \$320 in regional Victoria. Clearly, carers' ability to afford median rents is affected – whether through reduced workforce participation or income support payments – unless supplemented by other income.¹⁰

“Particularly as a young person the norm is you move from house to house – you rent. My partner was kicked out of home by her parents for being queer and had to move in with me in a share house and that just does not work as a physically disabled person and when you move from house to house you have to ask what don't we need as much – can we have small step out the front, can we put up with that? How much of a step in the shower can we have before it is too much? And when it's too much we have to move around constantly. There is no real support for that. There are no resources for helping you find housing particularly as a queer person and particularly as a young carer.”

Carer consultation participant

In circumstances of housing stress, carers may be referred to the Private Rental Assistance Program – a component of the 'Homes for Victorians' strategy – which can provide financial and social assistance in securing and maintaining a rental property; however, the effectiveness of this program in achieving long term housing security for carers is yet to be openly evaluated.

Another factor which impacts on quality of life for carers in rental housing is the ability to exercise their rights as tenants in the private rental market. Short and insecure tenures, coupled with limited capacity to make necessary modifications, make carers particularly uncompetitive in the private rental market. While the Victorian Government should be commended for addressing some of the systemic causes of this power imbalance in its Residential Tenancies Amendment Act (2018), as low-income renters, carers and the people for whom they care will continue to have fewer housing options, given the dominance of rental properties offered by investors whose primary motivation is to maximise their financial return.

Assumptions that relocation to areas of cheaper rental will alleviate the issue of housing affordability are unfounded. In fact, it is likely to create further problems for carers. Relocation to another property or area for cheaper rent is often involuntary and particularly “disruptive for low-income households, families with children, older people and people with a disability”.¹¹ For carers, relocation will interrupt disability, community mental health or aged care services and new providers may need to be

¹⁰ <https://www.dhhs.vic.gov.au/publications/rental-report>

¹¹ <https://www.pc.gov.au/research/completed/renters/private-renters.pdf>, page 2.

found and contracted – an already significant burden on carers. It has been widely reported people with complex needs are most at risk of ‘thin disability service markets’ because of low NDIS pricing and poor employment conditions. Moreover, children have to change schools, work may be unavailable and friendship and social groups change. Moreover, stability and predictability are particularly crucial for people on the Autism spectrum, some of whom will display behaviours of concern when routines change.

Home ownership

A landmark report published by the Australian Housing and Urban Research Institute (AHURI) in 2009, *The housing careers of people with a disability and carers of people with a disability*, starkly illustrates carers’ very strong preferences for home ownership because this is perceived as providing security of tenure for the person they care for and autonomy for making home modifications. In the study, 65 per cent of carers were outright owners of their home. The report found that carers who own their own homes do so at the expense of holding other assets such as superannuation. Those purchasing homes are more likely to be in mortgage stress than other homeowners.

Caring families are increasingly more likely to fall out of home ownership or unable to secure finance for a home loan in the first place. In the AHURI study, 44 per cent of carers became tenants because of relationship breakdown, the costs associated with providing care or the loss of employment. Further statistics illustrate carers aged 15 – 34 years are significantly less likely to own their own home (37 per cent) than non-carers of similar age (44 per cent).¹²

In the current housing market, home ownership – particularly in metropolitan areas – relies heavily upon the household having a dual income or considerable assets to raise a deposit and service a large loan. Over 40 per cent of people in Victoria in receipt of Carer Payment are not partnered.¹³

Significant maintenance costs are another major factor in financial insecurity. Carers Victoria’s Western Metropolitan Carer Support Program frequently uses brokerage funds to perform important safety maintenance.

Intersecting vulnerability: age, gender and cultural background

Several factors, including length of care role, intensity and residential location, can affect the severity of economic disadvantage of individuals. Factors which are less in one’s control, such as age, gender and cultural background add an extra layer of vulnerability to experiencing or being at risk of homelessness and the complexity of responses needed to address it.

¹² Beer, A. and D. Faulkner (2009) *The housing careers of people with a disability and carers of people with a disability*, Australian Housing and Urban Research Institute, p 39.

¹³ Commonwealth Rent Assistance (CRA) by Primary payment type, December 2017

Caring is a predominantly female activity, with ABS data showing 66 per cent of Victorian primary carers are women and 401,500 females have caring responsibilities.¹⁴ Across the life-course women experience more financial insecurity than men because their employment is more likely to be interrupted by child-rearing and caring roles; for instance, around 45 per cent of all female carers in Victoria are between the prime working age of 45 and 64 years. Male carers are more likely to take on a caring role at the 'bookends' of life – under 24 years and in retirement.¹⁵

Difficulties in juggling caring roles with employment mean women are less likely to obtain work commensurate with their qualifications and experience. Females are more inclined to take on part time or casual work to maintain much needed flexibility, but miss out on other employment benefits such as career progression. In addition, the majority of women work in industries such as healthcare and social assistance, education and training, retail and hospitality which are characterised by low pay and high job insecurity¹⁶ Single older women enter retirement age with more reliance on the Aged Pension than single men of the same age and about a third are living in income poverty.¹⁷

Older women are fastest growing cohort of people experiencing homelessness in Australia due to a range of factors including family violence, relationship changes or sudden unemployment. The death of a partner is also likely to have a negative impact on a woman's housing situation, particularly for women in the private market. The loss of a second income to sustain housing can result in acute financial insecurity, compounding their grief and loss.

Homeless women are more likely to 'self-manage' their situation through strategies such as partnering up, moving between family and friends, and applying for jobs which provide housing. These women are often reluctant to seek housing assistance as they do not identify as homeless (or as at risk) or are embarrassed to do so.¹⁸

¹⁴ .The Australian Bureau of Statistics defines primary carers as people who provide the most assistance to a person with disability with one or more of the core activities of mobility, self-care or communication: Australian Bureau of Statistics (2018) Disability, Ageing and Carers, Australia: Summary of Findings

¹⁵ Carers Victoria analysis of 2012 ABS Survey of Disability, Ageing and Carers, Victorian data tables, accessed at abs.gov.au.

¹⁶ Australian Human Rights Commission Older Women's Risk of Homelessness: Background Paper (2019)

¹⁷ Ibid.

¹⁸ Ibid.

Case study

Ms Yang is 60 years old and migrated to Australia in 2017 under a partner visa. After experiencing family violence, Ms Yang now has a Temporary Resident Visa and is being supported to apply for permanent residency.

Ms Yang provides 24/7 care for her father Mr Wu (aged 84 years) who has dementia and a brain haemorrhage. Mr Wu lives in Australia on a Bridging Visa and requires support with all daily living, special equipment to move between his bed to the wheelchair and toilet. He also uses an electric adjustable bed which was provided by the hospital. Ms Yang does not drive and uses public transport for travel.

Ms Yang and her father are currently experiencing a precarious housing situation. They have lived in a unit in the backyard of their landlord for approximately a year. While the accommodation was advertised as being fully furnished, Ms Yang soon realised the fridge did not work and complained to the owner. The owner refused to repair the fridge and instead asked her to vacate the premises. The landlord verbally threatened Ms Yang that if she did not leave by early February, he would cut the water and electricity utilities.

Carers Victoria inquired to a number of homeless and/housing services on Ms Yang's behalf but her visa status leaves her and her father in a particularly precarious situation. Ms Yang has a Medicare card but neither she nor her father are eligible for Centrelink benefits including Carer Payment. They receive a pension from China.

The Justice Connect service can only assist if tenants have received a written eviction order. Home at Last can only refer clients to the Victorian Housing Register if the client has an Australian income. They have some capacity to pay rent in the private market but will need assistance to visit properties and fill in applications; however, Ms Yang is likely to need financial assistance to fund part or the whole cost of relocation.

Ms Yang wants to continue to care for her father at home. She receives six hours of respite per week during which time she buys food.

Recommendations to address carers' housing needs

Given care roles can have a significant impact on the financial security of individuals and households, in a context of increased housing and living costs, carers are likely to be at high risk of homelessness yet do their best to provide housing for other vulnerable members of our community.

Yet carers who experience or are at risk of being homelessness remain hidden because data about individuals in care relationships seeking housing support is not systemically collected and shared among key agencies. Capturing care responsibilities of people who are experiencing or at risk of being homelessness is fundamental to recognising the impact of unsupported care relationships and is complementary to the goals of the Victorian Carer Recognition Act (2012) and the Victorian Carer Strategy (2018-2022).

Carers Victoria recommends the Victorian Government commit to support people in care relationships achieve their housing goals by mandating collaboration between government departments delivering services to people with disability, mental or chronic illness, older people with care needs and housing, as well as any other business units with a focus on vulnerable populations. The outcome of such collaboration should include:

1. Requiring Homelessness and Housing services to identify carers and report on carers accessing services in their minimum data set to inform service delivery and evaluation; questions used should refer to definitions captured with the Victorian Carer Recognition Act 2012 and focus on care responsibilities rather than ask people if they identify as a carer.
2. Embedding 'no wrong door' pathways in existing and emergent carer services for carers who are experiencing or at risk of being homeless and include referrals to the Private Rental Assistance Program, No Interest and Step Up Loans.
3. Promoting the Home Renovation Loan Scheme and subsidies to install rooftop solar panels and/or batteries to people in care relationships.

Further opportunities for policy reform to support all people in care relationships

Hidden homelessness: Adults with disability living with elderly parents

An emerging crisis is the increasing homelessness of adults with disability who have lived in the parental home their entire lives. Families are the primary source of housing (or housing assistance) for adults with a disability. The Australian Institute of Health and Welfare reporting for 2016-17 shows out of 330,984 service users, 50.4 per cent (n= 147,936) live with family; 25 per cent live alone; 24.6 per cent live with others.¹⁹ Other statistics show 23,500 Australians living with an intellectual disability are aged over 35 years and live in the family household.²⁰ Their parent carers are ageing, with 17,700 older parent carers aged over 65 years in Australia still living in the same household as the person for whom they care.²¹

The Victorian Government has consistently neglected to formulate a strategy to support people with disability to live independently of their ageing parents. The current State Disability Plan 2017-2020 *Absolutely Everyone* reinforces this invisibility by making no mention of people in these circumstances, instead only referring to young people in nursing homes. Consequently, the Department of Health and Human Services Disability Action Plan 2018-2020 makes no reference to this cohort.

This policy drift has occurred over decades. Prior to the introduction of the National Disability Insurance Scheme, DHHS maintained the Disability Support Register to record individuals who wished to live independently of family (albeit in group homes); however, anecdotal evidence from case workers and parents across Victoria reported many families and carers were discouraged from applying because of the extensive waitlist. Once NDIS legislation began to take shape in 2013, families and carers were advised to wait for the new system. Unfortunately, the NDIS has inherited these policy settings and the numbers of participants who are likely to be eligible for specialist disability accommodation (SDA) provisions is a fraction of those who live with their family. The National Disability Insurance Agency estimates 28,000 of participants will be eligible for SDA funded supports; this equates to approximately six per cent of NDIS participants.²²

Many ageing parents have expressed concern that the eligibility criteria for SDA funded supports specifically excludes their adult children on the basis they have 'only' have intellectual disability rather high physical support needs. Carers Victoria believes this approach is short-sighted and does not anticipate the support needs of participants will only increase with age – as with the rest of the population.

¹⁹ Importantly the housing situation of 37,329 service users were not counted or stated.

²⁰ ABS, (2012), Intellectual Disability, Cat # 4433.0.55.003, Table 12

²¹ ABS, (2016), Disability, Ageing & Carers, Cat # 443.0, Table 39.1

²² National Disability Insurance Agency (2018) [Specialist Disability Accommodation: Provider and Investor Brief](#).

“Older families who chose to keep our person at home are at a severe disadvantage. No ageing parent that I know has a succession plan in place, as we cannot put that burden on our other children who have families of their own. Which means as we die, a housing package will have to be allocated urgently and assistance from the agency to find homes and try and settle our family member into care.”

Letter from Community Lifestyle Accommodation Inc to Hon Dan Tehan MP and Hon Martin Foley MP August 2018

Further, the NDIA’s failure to collect truly aspirational housing data means planning meetings are not sufficiently future-oriented to consider the housing and support needs of participants, their families and carers. The absence of data collection to forecast demand in housing for people with disability is concerning given the NDIS is the first national opportunity to do so.

Without adequate support for families and carers, people living with intellectual disability in particular are often faced with crisis intervention when his/her parent(s) becomes too unwell to continue their caring role or suddenly dies, resulting in ‘double shock’ experience of grief for the person they have lost and loss of their family home.^{23,24} Inappropriate accommodation arrangements are often made as a result of rapid allocation during crisis. Others fall through data collection gaps, for example moving in with an adult sibling or other relative or entering a hospital, nursing home or supported residential service (SRS).

Recommendations

4. The Victorian Government includes specific performance indicators in the Bilateral Agreement with the Commonwealth Government and NDIA to support the transition of adults with disability living with ageing parents into **appropriate** accommodation, well supported by their remaining family (if any), community and formal supports. These indicators should include measures to address the housing needs of parents and support them to secure funding to cover any financial contributions the person with disability contributed to the family home.

²³ Gorfin, L. & McGlaughlin, A. (2004), Planning for the future with adults with a learning disability living with older carers, *Housing Care and Support*, 7:3.

²⁴ Bitner, G. & Franz, J. (2010), *Socially adaptable housing: new housing model for families living with disability*, University of Auckland, New Zealand, p 4

Families of children with disability

One of the risk factors for entering homelessness identified by Professor Guy Johnson in his presentation to the Legal and Social Issues Committee (22 November 2019) is whether a person has ever been in state care. The risk of 'relinquishment' into state care is particularly high for some children with disabilities when their unsupported families are no longer able to manage their care needs, particularly in contexts of unstable housing.

The Victorian Equal Opportunity and Human Rights Commission undertook its own research into 'relinquishment' of children with disability.²⁵ It found a number of potential risk factors for relinquishment such as financial pressure, unmet need for support, including inadequate access to respite, behavioural support and other services, and carer exhaustion, including where this leads to ill health, depression or anxiety.²⁶

Historically, parents have had to be persistent and well-resourced advocates to secure more support for their family from DHHS but in the worse cases parents were forced to 'relinquish' their children to permanent out of home care.²⁷ The transition from the State disability service system to the NDIS will only change the situation for some participants, families and carers. At a superficial level it is easy to think the transition is exacerbating problems for many families simply because of its novelty and implementation issues, such as poor recruitment and training of planners who develop plans to organisational-level cost-cutting or efficiency drives for juvenile participants.²⁸

However, Carers Victoria believes the Committee should recognise a deeper analysis reveals funding in NDIS plans is predicated on narrow assumptions about normative parental responsibility for children, without adequate consideration of the complexity of caring for children whose needs are not comparable to children of the same age. Some children may also exhibit behaviours of concern, including extreme violence towards their parents, siblings or friends. Parents may also have their own chronic illnesses, disabilities, and provide care for other children or family members.

Recommendations

5. The Victorian Government develops a coordinated action plan to prevent 'relinquishment' of children with disability with stakeholders at all levels, including families and carers, advocacy groups, the Equal Opportunity and Human Rights Commission, the Office of the Public Advocate and Commission for Children and Young People.

²⁵ The controversy of this term should be appreciated.

²⁶ Victorian Equal Opportunity and Human Rights Commission (2012) *Desperate measures: the relinquishment of children with disability into state care in Victoria*, Melbourne, page 9.

²⁷ Victorian Equal Opportunity and Human Rights Commission (2012) *Desperate measures: the relinquishment of children with disability into state care in Victoria*, Melbourne

²⁸ <https://www.theage.com.au/national/darkest-moments-why-two-mothers-are-considering-giving-up-their-children-20191217-p53kva.html>

6. The Victorian Government supports families to access the NDIS in a culturally appropriate manner and coordinate the development and implementation of plans with family and NDIA staff.

People living with mental illness

Homelessness is an important issue for people with mental illness, their families and carers. As the Royal Commission into Victoria's Mental Health System has found there are many intersecting social, economic and policy factors which contribute to the exacerbation of the problem for all parties to the care relationship.

"Housing becomes very difficult. My partner is on the disability pension which isn't looked on as the most favourable. We were both on pensions...I had a mental health issue myself and we had to go private but if you go to a real estate agent and you're both on a pension straight away they think you're not going to have enough money to pay the rent, you go to the bottom of the list."

Carer consultation participant

Similar to families of people with disability, families and carers of people with mental illness often play a significant role in preventing homelessness. As the Royal Commission's Interim Report has stated: "Finding suitable housing for a person living with mental illness is often the biggest difficulty carers face. Many families and carers take their loved one into their own home, aware of the problems associated with doing so (including adverse effects on their own wellbeing, finances, employment, social participation and other relationships) because they are unable to find an [accommodation] alternative. Families and carers conveyed their distress at the prospect that their loved one will become homeless if they can no longer provide accommodation for them."²⁹

For people living with mental illness, lack of access to appropriate housing creates a vicious cycle. Many witnesses to the Commission believed clinical and social support for people with mental health challenges are made worse by the lack of secure housing. Moreover, the number of people living with mental illness discharged into homelessness is increasing.

Poor community attitudes, at times heightened in regional and rural areas, towards people with mental illness is common and can have adverse impacts on individual's abilities to secure housing.³⁰ Landlords may be reluctant to enter into an agreement with a tenant who has a limited or negative tenancy history or a low income.

²⁹ State of Victoria, Royal Commission into Victoria's Mental Health System, Interim Report, Parl Paper No. 87 (2018–19) page 271

³⁰ State of Victoria, Royal Commission into Victoria's Mental Health System, Interim Report, Parl Paper No. 87 (2018–19), page 52.

Another factor which can impact on access to housing for parties in the care relationship is refusal by people with care needs to access income support payments and/or other financial supports. Carers frequently report the person for whom they care does not identify with having a disability and does not seek the disability support pension (DSP) if they cannot work. At times, this can be due to the inherent conflict between the 'recovery model' of mental health support and other systems which insist individuals identify as having a permanent illness or functional incapacity. This conflict has been a major contributor to the low level of entry to the NDIS for participants who predominantly need psycho-social support. Other times, this can be due to the person being ineligible for the DSP because its assessment is weighted towards people with physical disabilities and reinforces the divide between visible and invisible disabilities.

Carers Victoria also wishes the Committee to understand that while many carers may play an important role in supporting another person's recovery, they have significantly worse mental health and higher rates of depression than the general population.³¹ As carers are often not viewed as consumers, or their relationships are not understood fully by the community or service providers, their needs are often overlooked.

³¹ Aadil, J., S., Wadoo, O., & Latoo, J. 2010 'Psychological Distress in Carers of People with Mental Disorders in the British Journal of Medical Practitioners

Case Study

A 63-year-old woman is a carer for her 39-year-old son, Tony, who experiences depression and other trauma related issues stemming from civil war in their country of origin and the murder of his father when Tony was a child. They have lived in Australia for over 25 years.

The carer and her husband (Tony's stepfather) have cared for and financially supported Tony for many years as he has been unable to hold a permanent job. At times Tony's behaviour is very aggressive and police have been called to the house multiple times. Tony's parents did not know how to deal with the situation anymore. In their frustration and fear of his behaviour they sold their home. At the time it seemed like the only way to live separately from Tony and for him to learn to live independently.

Tony is now living independently but all his Centrelink income support (Newstart Allowance) goes to pay his rent, leaving little money left over for him to buy food, medications etc. His mother and stepfather continue to provide financial support, despite the fact they have health issues of their own and limited financial means.

The carer's husband has some low paid employment, but this does not go very far between the three of them. The carer informed Carers Victoria counselling staff that even though Tony lives separately from her and her husband, his emotional outbursts continue to occur as a result of his financial difficulties, problems budgeting and holding a job.

Recommendations

That the Victorian Government:

7. Develops specific performance indicators of partnership with key agencies for people living with mental illness to achieve their housing goals.
8. Supports people living with mental illness to develop independent living and interpersonal skills.
9. Works with the Commonwealth to ensure no one living with mental illness loses their income support payments due to activity tests.
10. Specifies people who are in urgent housing need are prioritised because the applicant needs to move for health reasons – include mental health reasons.

Revisions to Homes for Victorians needed to support carers' housing affordability in the long term

The 'Homes for Victorians' strategy released in 2017 is the first coordinated approach across Government aimed at addressing lack of affordable housing for many decades.

Features of the platform include supporting younger people and/or first home buyers by abolishing stamp duty on homes up to \$600,000 and reducing stamp duty on homes valued up to \$750,000; doubling the first home owner grant in regional areas to \$20,000; and offering shared equity loans to 400 applicants for single people with incomes up to \$75,000 or \$95,000 for couples.

Carers Victoria believes the scope of 'Homes for Victorians' platform is limited and the Victorian Government has more mechanisms at its disposal to provide people in a range of care relationships with direct and indirect assistance to achieve their housing goals. Carers Victoria has identified the following mechanisms which may be used to increase the supply of affordable housing for individuals or households on low incomes.

Implement Housing First

Carers Victoria recommends the Government adopts the Housing First model to address the current crisis of homelessness in the State.³²

We recognise there are many features of the Housing First model currently being delivered; however, there is no formal implementation of the model across the State beyond 2020.

With the provision of permanent and secure housing for people experiencing homelessness, in addition to the provision of intensive, flexible and long-term support services, the Housing First model requires significant levels of Government investment and coordination.

Increase affordable housing stock through a Repair and Lease Scheme

To swiftly increase the supply of affordable rental housing across the State, the Victorian Government can determine the feasibility of adopting Ireland's Repair and Lease Scheme. The Scheme can be designed to financially support property owners to repair an existing property in line with minimum rental standards. The maximum funding available is €40,000, inclusive of Value Added Tax (approximately \$65,000AUD). The ideal properties targeted under the RLS requires a low level of investment to bring them to the required standard for renting. The majority of works will include items such as new flooring, kitchen, furniture; low grade plumbing or

³² We use the definition provided by the Australian Housing and Urban Research Institute. <https://www.ahuri.edu.au/policy/ahuri-briefs/what-is-the-housing-first-model>

heating works, energy efficiency upgrades; window and door upgrades or replacements; insulation and painting and decorating. It is not envisaged that any level of significant structural works will be needed and in the majority of cases no planning permissions will be required. There are a number of requirements in relation to the Scheme, including the property must be vacant for at least 12 months before entering the Scheme; there must be a social housing demand for the property in the area; the property must be assessed as being viable to provide social housing; and the house must be made available for renting purposes for between five and 20 years.

Maximising opportunities for home ownership for low income households

Model Victorian financial support on South Australia's Home Start Finance Corporation

Individuals and households relying on income support payments for short or long-term assistance require specific financial and practical assistance in order to become homeowners if they wish. The Government should not assume they wish to be perpetual tenants in social housing.

One way to achieve this is direct Government financial instruments which address barriers individuals and households on low incomes face in the financial market. In comparison to the HomesVic Initiative, only available to up to 400 first home buyers, South Australia's Home Start Finance Organisation offers a range of financial products to individuals and households to help them achieve their housing goals. Its Home Start Home Loan does not discriminate on the basis of first home buyers. While 66 per cent of the organisation's 1,637 customers in 2018-19 were buying their first home, it also supported single parents starting over, public housing tenants moving out of rental accommodation and graduates. In the 2018-19 financial year, 51 Shared Equity Option loans were settled.³³ While prioritising first home buyers is a politically admirable aim, removing restrictions for people to access financial support who may have lost their first home due to unforeseen circumstances is unlikely to distort the market and drive up property prices.³⁴

Support the scalability of the 'Barnett' financial partnership model

To increase levels of home ownership for individuals or households on low incomes, the Victorian Government can commit to support the scalability of the Barnett Model of home ownership. The Barnett Model is a financial model of partnership between potential homeowners currently living in social housing, developers and a Public Benevolent Institution (PBI).

³³ Home Start Finance (2019) Annual Report, p. 11.

³⁴ The HomesVic Share Equity Initiative is only open to first home buyers yet the Grattan Institute has argued against prioritising first home buyers because it does not improve overall housing affordability (see Daley, J., Coates, B., and Wiltshire, T. Housing affordability: re-imagining the Australian dream Grattan Institute 2018)

The financial model involves a deferred second mortgage model which addresses two significant factors impacting the ability of low-income households in Australia to buy a home: a large deposit to avoid Lender's Mortgage Insurance and an inability to qualify for and service a loan large enough to afford a home in a well-located area.

The prototype building of the specific financial structure is a 34-unit apartment development in North Melbourne. The building was delivered by a Melbourne-based developer and the model is managed by The Barnett Foundation, a Public Benevolent Institution (PBI).

Participants paid at least \$25,000 as a deposit and sourced a loan to cover the remaining development costs of an apartment (about 63 per cent of market value). The remaining 37 per cent is not payable until the homeowner sells their unit.

This component, referred to as a 'Barnett Advance' in this project, does not attract interest or fees and functions as a deferred second mortgage. The Advance represents the developer's equity share in the development and is created by capturing value in the property through the development process. This value is captured through cost savings and foregone profit. When the homeowner sells their apartment, the Barnett Advance is reinvested in the Foundation and used to fund future projects or other crisis accommodation. The Barnett Advance decreases over time, reducing by \$15,000 every year for the first four years.

This Model is likely to be an effective mechanism the Government can utilise to provide targeted support to women aged over 45 years with modest assets and income who could leverage their savings as a pathway to home ownership.

The Melbourne Apartments Project was evaluated by the Transforming Housing Research Network, based at the University of Melbourne.³⁵

Harness energy and other efficiencies in existing and future social housing stock

Carers Victoria recommends the Victorian Government commit to building new dwellings for rental or ownership to low income individuals and households to a high level of accessibility with maximum energy efficiencies inbuilt.

This can include mandating any housing built to address homelessness is designed to universal accessibility standards with features such as reinforced walls in toilets and bathrooms for easy installation of handrails at a later date if necessary, ground level access to a toilet, easy access paths to the house.

In addition to universal design standards, maximum efficiencies ensuring the attainability of high Nationwide House Energy Rating Scheme star with mechanisms such as high thermal insulation, passive ventilation and rooftop solar should be part of

³⁵ Raynor, K, Palm, M, O'Neil, M. 2018. The Barnett Model: Evaluating the outcome and scalability of an affordable homeownership model, Transforming Housing, The University of Melbourne: Melbourne.

any social housing design. This will provide practical support to tenants who often face high power bills because they do not have access to rebates for solar panels. For instance, The Victorian Government's Victorian Solar Homes solar PV rebate assists eligible households to install solar panels and/or batteries. This Scheme provides significant financial assistance for households to harness solar energy, to reduce their energy bills, emissions and reliance on the grid.

Carers Victoria recommends expanding alternative energy sources to residents in public housing. Currently, these Victorians do not have access to subsidies which can significantly reduce the cost of retrofitted solar panels. In effect public housing tenants are made to choose between adequately heating and cooling their property, high bills and other everyday expenses.³⁶

Any increase in social housing stock and redevelopment of ageing supply should include mechanisms to support public and social housing tenants to develop bulk-purchasing schemes such as utilities and groceries. Developments can also be designed to include spaces available to utilise and foster social connectedness such as lending libraries and productive gardens.

Other mechanisms to support housing goals

11. Ensuring emergent rent to buy schemes do not present high risk for people in care relationship if they do not wish to purchase by mandating transparency and limited (or no) financial loss to the consumer.

³⁶

https://www.malleefamilycare.org.au/MFCSite/media/PDFDocuments/PublicHousing/2019/MalleeFamilyCare_PublicHousing_Report_2019.pdf

APPENDIX: The economic impact of caring

Financial insecurity is the most important factor affecting carers' ability to achieve their housing goals.

Undertaking a caring role can have significant implications for financial security. Carers face large out-of-pocket expenses and often have to find money for extra costs like heating and laundry, medicines, disability aids, healthcare and transport.

- One third of carers cannot pay for services they need or want.³⁷
- Regional or rural carers often pay higher out-of-pocket expenses for private transportation into metropolitan Melbourne for medical appointments.
- Ineligible for income support payments, some carers draw on their superannuation to pay for costs associated with housing, transport and other living expenses.

“The carpark bill to get him through chemo and radiotherapy was over \$70 a week. I wasn't eating and you're sitting there during hospital appointments starving! There is a lack of support at a very basic level, coupled with the lack of acknowledgement about the [financial] costs associated with caring.”

Carer consultation participant

Carers and paid employment

A significant proportion of carers report reduced workforce participation, more part time/casual work or underemployment and lower superannuation levels upon retirement.³⁸ Of the 736,600 Victorian carers, 58 per cent participate in the workforce while providing up to 20 hours of care per week, while only 15 per cent participate in the workforce while providing 40 hours or more of care per week.

“My employer takes advantage of my situation and employs me as a casual so no annual leave, sick leave or super etc. I have been casual for 12.5 years! But finding another job with the fact I can't change hours, days and sometimes can't work at all makes it impossible to find a better job.”

Carer consultation participant

³⁷ Carers Victoria (2017) Developing a Victorian Carer Statement, p. 46.

³⁸ Beer, A. and D. Faulkner (July 2008) The housing careers of people with a disability and carers of people with a disability; for the Australian Housing and Urban Research Institute Southern Research Centre p. vi.

Carers and income support payments

There is a significant gap between the total number of carers in the community and those who receive financial assistance from the Federal Government. In Victoria there are 736,600 carers, of which 239,100 are primary carers. Primary carers are defined as people who provide the most assistance to a person with disability with one or more of the core activities of mobility, self-care or communication.³⁹

However, the number of people who receive income support payments directed to carers – Carer Payment or Carer Allowance – is far below these levels.⁴⁰ According to the Department of Social Security, there were only 68,803 Victorian recipients of the Carer Payment and 167,254 who received the Carer Allowance.⁴¹ This shows a large number of carers who are hidden, contributing to significant financial insecurity.

In 2018, the maximum carer benefits a single carer could receive equated to \$492.29, which comprises a Carer Payment of \$417.20, Carer Allowance of \$63.55 and Carer Supplement of \$11.54 (weekly figures).⁴²

For comparison, the minimum wage in 2018 was \$719.20⁴³ and is 42 per cent higher than the Carer Payment and 32 per cent higher than total carer benefits.⁴⁴

The financial hardship is compounded as 90 per cent of carers who receive Carer Payment have no private earnings.⁴⁵ This demonstrates the failure of income support payments to keep up with the minimum wage and shows even the most resourceful carer is financially disadvantaged.

³⁹ Australian Bureau of Statistics (2018) Disability, Ageing and Carers, Australia: Summary of Findings: <https://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/4430.0Main%20Features72018?opendocument&tabname=Summary&prodno=4430.0&issue=2018&num=&view=>

⁴⁰ Department of Health and Human Services, 2018. Victoria carer strategy 2018-22: Recognising and supporting Victoria's carers, pp 10.

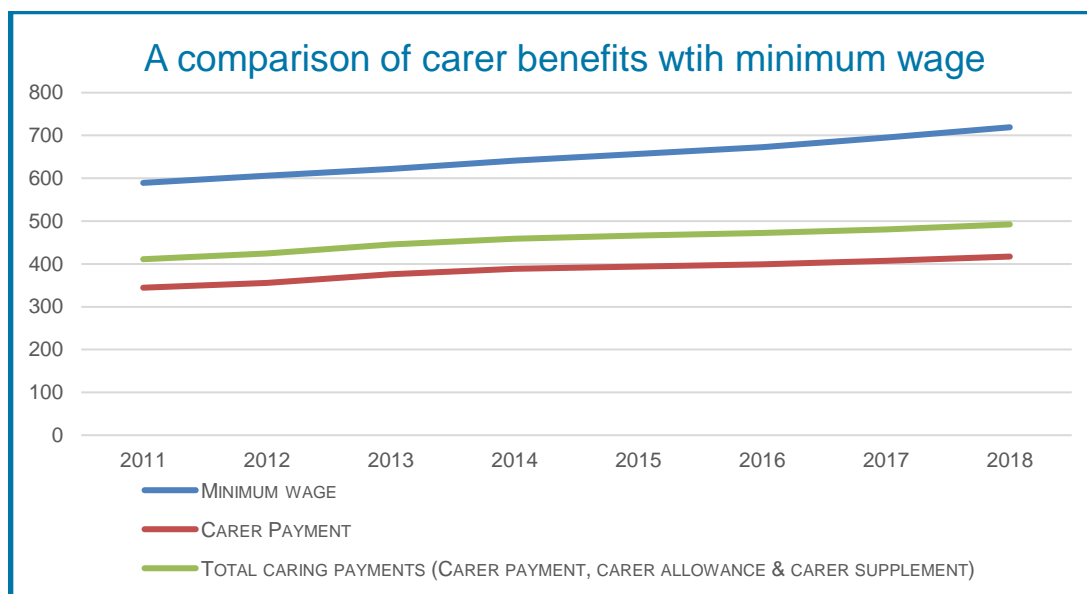
⁴¹ Department of Social Services, 2019. DDS Demographics.

⁴² Department of Human Services, 2019. Historical versions of a guide to Australian Government Payments, < <https://www.humanservices.gov.au>>.

⁴³ Employsure, 2018. 'Minimum Wage and Award Wages in Australia, < <https://employsure.com.au>>.

⁴⁴ Department of Human Services, 2019. Historical versions of a guide to Australian Government Payments, < <https://www.humanservices.gov.au>>.

⁴⁵ National Commission of Audit, Carer payments <<https://www.ncoa.gov.au/report/phase-one/part-b/7-10-carer-payments>>.



The financial disadvantage people in care relationships face is further demonstrated looking at household income. 50.2 per cent of Australian carers surveyed lived in a household in the lowest two quintiles – double the rate of non-carers.⁴⁶ At the other end of spectrum only 13 per cent of primary carers had household income in the highest quintile, compared with 25.8 per cent of non-carers.⁴⁷ Individuals who are eligible for Carer Payment are most likely to be in receipt of it for five to ten years.⁴⁸

Carers and retirement

The Productivity Commission has estimated just under one half of all Australians who retire between the ages of 45 and 70 do so involuntarily.⁴⁹ For men, their own ill health drives the decision to retire, while for women the most important driver is the need to care for a spouse or family member. Those who involuntarily retire generally have lower levels of accumulated assets than those who retire voluntarily.

Significant periods where salary and superannuation benefits are not being earned contribute to a long-term financial impact. Based on 2008 trends of superannuation, if a man leaves the workforce to enter a caring role at 55, around \$60,000 of superannuation is lost at age 65.⁵⁰ It is important to note the significant gender inequities inherent in the superannuation system which further contribute to financial insecurity faced by women. Working women aged 50 give up an additional \$40,000-

⁴⁶ Australia Bureau of Statistics, 2018. Disability, Aging and Carers, Australia: Summary of Findings, <<https://www.abs.gov.au>>

⁴⁷ Ibid

⁴⁸ DSS 2018 Selected payment recipients by duration on payment and average duration, December 2017

⁴⁹ Productivity Commission (2015) Superannuation Policy for Post-Retirement

www.pc.gov.au/research/completed/superannuation-post-retirement

⁵⁰ Nepal, B., Brown, L., Ranmuthugala, G. and Percival, R., 2008. Lifetime health and economic consequences of caring: Modelling health and economic prospects of female carers in Australia. Commonwealth Financial Planning, Commonwealth Bank of Australia. pp 26.

\$50,000 in superannuation available at age 65.⁵¹ This means more women will be exiting the labour force, have reduced superannuation and significantly lower long-term lifetime earnings.⁵²

Policy factors impacting on carers' financial insecurity

The Centrelink data cited earlier does not include those individuals whose applications for Carer Payment are determined as ineligible, despite providing a high level of care. Carers commonly report eligibility requirements are too weighted towards caring for people with high physical support needs, not those who experience mental illness or cognitive impairments resulting from dementia. People in care relationships from diverse communities for example people who are Aboriginal or Torres Strait Islander, or identify as Lesbian, Gay, Bisexual, Transgender, Intersex and/or Queer/Questioning are also likely to find eligibility for income support payments problematic because they do not fit into conventional family models. Thus, many individuals receive only Newstart Allowance while they are undertaking an unrecognised care role.

Other people are moved from Carer Payment to Newstart if the person they care for is admitted to residential aged care or disability accommodation. Maintaining separate residences does not necessarily result in a decreased caring role and can in fact mean the opposite. Carers in this situation often spend much time travelling to the facility, liaising with facility staff and undertaking a range of administrative and representation tasks, as well as continuing to provide some care (for example, meal assistance).

Carers are also faced with a welfare system which actively discourages them from earning a living wage. The Australian Government currently enforces a strict 25-hour rule for the Carer Payment, which limits the carer to only 25 hours (including travel time) to undertake any training, education or paid work. The current 25-hour rule is a major barrier to getting carers re-engaged in the workforce and actively discourages carers from earning a future income.

51 Ibid., pp. 26.

52 Australian Bureau of Statistics, 2015. Gender Indicators: Providing Primary Care to People With A Disability, <<https://www.abs.gov.au/>>.