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# **Ecoso Exchange Newsletter**

## **Crow Collection Association Incorp**

**Ecological, Social and Political Discourse**

No 2/45, August 1997

ISSN 1033 9205

### **REPORT BACK EDITION ON MORELAND HOUSING EXPO.**

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### **News from the Crow Collection**

Thanks to Rae Nichols for donating files of the Tenants' Leagues (1930s/40s) to the Crow Collection. These documents enabled the Crow Collection to make a unique contribution to the Moreland Housing Expo. Through a wall board at the Expo and through distributing the special housing issue of Ecoso the Association emphasised that in addition to the moral reformers from the eastern suburbs, the people living in the inner suburbs were campaigning to improve their own living standards.

Thanks also to Len Cooper for documents from the 1970s on urban issues in North Carlton.

The theme for next issue of Ecoso (2/46) will be on local government and participation in planning. This will review the last 25 years, with special reference to the preparation and implementation of the Melbourne City Council Strategy Plan, with emphasis on what has to be done in the future. The articles will, later, be adapted as a paper to be presented at the International Planning Conference which will be held in Sydney in 1998. Ideas and other help with this would be greatly appreciated.

(For more information about the Crow Collection phone 03- 9329.8685.)

## QUOTES THAT CAN BE USED AS TOUCHSTONES AS YOU BROWSE

### *Definition of "Universality" and the Provision of Services*

As long ago as 1970 a World Conference of Social Workers adopted the following definition of Universal Provision of Services, emphasising the distinction between services which are selective and those that are universal. Thus :-

*"The approach of universality conveys the recognition that all citizens may need social services at some time, and the allocation of services must not perpetuate a dual system, one system for the poor and the other for the more advantaged. The universal approach does not assume that everyone will use social services equally, or that the principle of selectivity may not be applied. It is possible and desirable to recognise priority need in a system of universal provision."*

### *Defining the Federal Coalition Housing Policy, 1996.*

*"The Federal Coalition Government's election commitment is that no existing public tenant will be worse off. ...Access to appropriate, affordable and secure housing remains a basic necessity and right of all Australians. The Federal Government has a key role to play in providing a national framework for the achievement of this important social objective....The Liberal and National Parties recognise that in many cases, the private housing sector will be unable to respond to the particular housing needs of many families and individuals. These needs can only be met by direct Government involvement. (Comment...Typically this should mean that rent assistance will be set to achieve a rent income ratio of 20% with security of tenure and that new public housing tenants will not pay more than 25% of their income in rent.)"*

### *Defining International Agreements on Housing*

*The Australian Government is party to a number of international agreements stating the right of people for housing such as United Nations Article 11 (1) of the International Covenant on Social, Economic and Cultural Rights :-*

*The State Parties to the present covenant recognise the right of everyone to an adequate standard of living, including adequate food, clothing and shelter.*

## Hats Off to Moreland Council

To those who have been involved, for years and years, in community organisations and local government campaigns, the Moreland Expo had a very special significance. It was a demonstration that this Council is emerging, with great energy, from the hiatus of two-year period of commissioner regime.

The disruption to community networks through the sacking of the council, the loss of the elected Council's lobbying advocacy, the changes in the delivery of community services resulting from "tendering out", the sale of some council assets (for example the Brunswick Electricity Supply Co), the change in name and in boundaries of the municipality, are, now, all things of the past. The Council is alive and well and finding new ways of involving people in grass roots community organisations, such as the Moreland Housing Expo held in mid June (see page 11 of this Ecoso).

What was witnessed at the Expo was the development of community networks with a capacity to plan and support the preparation of a Housing Strategy for the Moreland Municipality, despite the setbacks to local government during the last few years.

*Moreland is truly setting an example for other councils (see p 6).*

This Ecoso is mainly about the housing issues discussed at the Moreland Expo. (Most of the article have been written so that they can be reprinted in other newsletters) ,

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## **Here We Go Again !**

### **ARE WE GOING AROUND IN CIRCLES EVERY 20 YEARS ?**

Notes from Talk by Bishop Michael Challen at Housing Expo.

Why are we talking about housing issues again ? Bishop Challen asked. Then, he described how, it seems, that about every 20 years the community has been presented with a vision of how to solve housing issues, but society still fails to provide adequate housing for all Australians.

He then reviewed the past 60 years, showing how popular policies have been sidestepped, again and again :-

*Twenty years ago (1977) was the United Nations Habitat Year which resulted in the Federal Liberal Party Government funding projects with 5 social justice objectives ... to raise priority for public housing; to house the homeless, to encourage innovations in housing, plan for greater equality of outcome and to find ways for greater public participation in formulating housing policies.*

*About forty years ago the Victoria Liberal Party Government held an Enquiry into the Landlord and Tenant Act, that resulted in plans for an increase in the provision of public housing.*

*Sixty years ago, 1937, the Slum Abolition Board's Report was presented to the Victorian Country (Nationalist) Party Government. This resulted in the establishment of the Housing Commission of Victoria.*

### **WILL HOUSING POLICIES BE SIDE-STEPPED AGAIN ?**

Bishop Challen warned that we are in danger of going back to the days when low income people were solely at the mercy of rapacious landlords.

*It seems that the very reason the Victorian Housing Commission was established ... excessively high rents charged by private landlords for properties with declining standards.. are being completely forgotten.*

*Public housing is reaching a crisis point. The Federal Government plans to cut almost one hundred million from the Commonwealth/State Housing Agreement. These cuts have come*

on top of a 40% decline in public housing finance over the past 10 years.

He further warned that early in June, the Victorian Government responded to the Federal Government's policy by announcing, officially, its decision to give housing priority only to those it regards as "most in need"... the frail aged, people with disabilities, and the homeless

But let us be under no illusions about the Governments' policies.. Only the aged and disabled are to be cared for, the rest .. victims of industry restructure, family breakdown, or the sheer arbitrariness of life, are to take their chance in the market place, along with everybody else.

Bishop Challen said he was particularly concerned about the careful choice of words in the new Commonwealth State Housing Agreement.

The Government is now talking about providing "adequate housing assistance", and thus avoids stating any commitment to the provision of housing... the provision of the actual shelter in which people can live.

#### BEGGING TWO QUESTIONS

Bishop Challen then explained that the provision of rental assistance begs two questions. Firstly, are homes available ? Secondly, are available homes affordable ?

As regards the first question; **the availability of housing.** The State Housing Minister's own office admits that the vacancy rate in Melbourne is only 1.7% and that this is a reduction of more than 20% in the availability of private rental properties on the previous year.

"Secondly, **affordability of available housing.** History shows that when there are fewer properties the rents are higher.

#### THE TARNISHED IDEAOLOGICAL STAR... THE MARKET

Referring to the photos of the housing provided by slum landlords in the 1930s Bishop Challen said.

Sixty years after the Slum Abolition report both the Federal and State Governments ~~are~~ **are** hitching their wagons to the tarnished ideological star.. the market. The inconvenient fact that it was the market failure that drove people on to the public housing waiting lists in the first place is forgotten.

The price of social justice would appear to be whatever price the market can bear, regardless of the human consequences. Bishop Challen warned.

## **Public Housing is Cost Effective**

**Dr Greg Barrett's Contribution to Expo Housing Forum,**

Dr Greg Barrett, an economist at Canberra University, argued that public housing is cost effective when he gave the keynote speech at the Moreland Expo.

*Certainly, when people are in temporary difficulties, rental assistance, which is immediate and flexible, is an appropriate short-term solution., he said.*

*However, he emphasised, many people require long term housing assistance, and for this, public housing is much more cost effective. Moreover, public housing provides other important benefits, for example, security of tenure and ensuring that there is no discrimination against people on income, gender, race and disability,*

Dr Barrett strongly criticised the proposed sale of the \$34 million housing asset as this will decrease the capacity of governments to deliver affordable housing outcomes to current and future generations.

### **DECREASED PUBLIC HOUSING MEANS ESCALATION OF RENT ASSISTANCE**

The talk was illustrated with charts. One of the most important showed that the decreased public housing spending meant the escalation of the cost of rent assistance. Such assistance rose from about \$400 million in 1984 to about \$1400 million today :-

*Over time, the substitution of rent assistance for the actual provision of houses, ties the Commonwealth Government to a spiralling income assistance scheme,*

Using tables Dr Barrett showed what Bishop Challen emphasised; that a market driven provision means that when homes for rent are in short supply the cost of rent escalates. Thus the government housing assistance will either escalate or the assistance will gradually become worthless. On the other hand there is less likelihood of rent rebates spiralling as they are a targetted rent reduction measure, whereas rent assistance is an untied income supplement.

Dr Barrett emphasised that the current Federal and State Government policies can only have two main results :-

1. Spiralling costs to the Government.
2. Low income renters spending a greater proportion of their income on rent some spending as much as 61% .

No facts were given on the spiralling income to the estate agents and others associated with providing housing for rent. But in the discussion session following his talk this was raised over and over again. And, at the Sunday forum and launch of the North West Housing policy some facts and figures were presented to show how this is the affect.

## SUBSIDIES TO HOME OWNERS.

Dr Barrett prefaced his talk on public housing by listing some of the government subsidies that benefit private home ownership (tax deductions, government backed loans, special subsidies, negative gearing etc) but space does not permit reporting on these. Suffice it to remind readers that public housing tenants are not the only people to receive government assistance. However, whereas it is relatively straight forward to calculate the cost to the government for public housing, the subsidies to private home owners are hidden, for example tax deductions to home owners do not appear as a cost to Government, but of course Government revenue is affected and the home owner is subsidised.

## Moreland Council A Significant Role on Housing.

At the Housing Expo Forum the Mayor of Moreland, Cr Rod Higgins described how Moreland Council was determined to play a significant housing role. (Moreland Municipality includes Brunswick, Coburg and parts of Broadmeadows). He referred to four main projects.

### FOUR MAJOR HOUSING PROJECTS IN MORELAND MUNICIPALITY

1. *The housing in my place project* which was aimed at enabling older people to grow old gracefully in the neighbourhood in which they have spent most of their lives.
2. *Joint Venture Projects.* The council has decided to use the money it has from the forced sale of the Brunswick Electricity Authority to pursue a policy of acting as a catalyst for joint ventures for housing provision by State, Federal and Local Government in partnership with community organisations such as churches.
3. *The shop top design project* which aims at rehabilitating the dwellings above the shops (in Sydney Road, Lygon Street, Nicholson Street and other shopping streets).
4. *Rehabilitating some of the public housing* in Moreland.

The Mayor referred to the Expo photographic exhibition, warning that it illustrated the perils of the past which we must not allow to happen again.

However, he enthusiastically claimed that the exhibition also shows how the people came together in broad based coalitions of tenants, church people, unionists, academics. He said :-.

People found common ground and from this position of strength lobbied government. They were succesful at both state and federal government levels. In 1937 the Housing Commission of Victoria was established and began to build public housing. The campaign in the 1940s resulted in a committment from the federal governmemnt to fund public housing through the wealth State Housing Agreement.

Today, in Moreland, we are aiming at promoting such networks and in the process we are finding that local government's participation in such coalitions not only gets results but that in the process people begin to develop a sense of belonging... a sense of being part of the community.

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Other speakers at the Moreland Expo Forums were Cr Glenys Romanes (Chair of Moreland Council Housing Strategy Committee), Senator Lyn Allison (Democrats), Denise Muir, (Chair of Public Tenants Union), Phyl Slattery (Housing for Aged Action Group), Ruth Crow, (Crow Collection Association), Kelly Noble (North West Housing Council).

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## Housing in the North West Region

A report prepared by the North West Housing Council was launched at the Expo. Here is a summary of some of the facts.

- \* The NW has a higher average of recipients on Social Security Unemployment benefits receiving rental assistance.
- \* The majority of tenants (public and private) are in the \$0 to \$12,000 income bracket.
- \* The waiting list for public housing in the Region is 5,483 households
- \* Brunswick and Coburg have 2,250 households on waiting list for public housing.
- \* A lack of private and public housing options can result in the "exporting" of people who are homeless to other localities.
- \* The private rental market is characterised by discrimination, inappropriate housing stock and insufficient supply.
- \* There are at least 600 people in the North West Region living in caravans, state-wide ABS figures show 6,343 caravan dwellers.

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Send in your donation and name and address **NOW** ! More information from :-  
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*It is futile to expect private enterprise ever to overtake the housing shortage, for the simple reason it does not pay sufficient profits. It is inescapable that the task must be undertaken by the community. State Government, financed by the Commonwealth Government, must enter the housing field to a degree hitherto undreamt of, and erect dwellings to be sold or let at a price or rental within the capacity of the worker. (From "We Must Go On" by Oswald Barnett, 1944)*

*Ownership of public housing stock allows government the option of increasing assistance at a lower cost (From "Industry Commission Report" 1993.*

## **Affordable Housing Alternative Ways of Funding**

by Colin Long

(Ideas contributed to this special housing Ecoso by the People's Committee for Melbourne in the hope that these suggestions will stimulate a broad debate on our community responsibility of providing affordable housing.)

Recent attacks on the public housing sector by both State and Federal Governments are justified by a line of reasoning that argues that a public purse can simply no longer afford large-scale investment in housing provision and that, anyway, the market is the best provider of shelter (and all other needs). This argument has been questioned by many groups and individuals (not least by the Industry Commission in its 1993 report) and proven to be flawed by history itself. Nevertheless it is clear that advocates of affordable housing will need to think of creative ways to ensure not only continuation of low income housing provision but its enhancement. There are two potential, untapped, sources of funds for affordable housing. Firstly, rate levies, and secondly revenue from government privatisation.

### **DEVELOPMENT LEVIES**

Although development levies have not been extensively used in Victoria, there are a number of precedents. For example :-

- \* The City of Melbourne has a system of plot ratio bonuses whereby a developer gains extra floor space by the provision of open space or publicly accessible walkways. (Such a system has proved open to abuse as the public benefit often ended up as a design feature favouring the developer but the principle could be applied more effectively.)

- \* Many councils extract public benefit from developers through car parking and open space levies. The developers are levied according to a formula which usually represents a percentage of the capital value of the development, a fixed amount representing the cost to the community by the development.

- \* The proposed levy for public art in the Docklands Project.

- \* Development levies are used in some parts of the United States, for example in New York for low income housing.

## OPTIONS FOR DEVELOPMENT LEVIES

The introduction of a development levy for affordable housing could be based on presenting developers with two options :-

The provision of affordable housing - which could not be on-sold - within their development.

or

Pay a levy based on a certain percentage of the capital value of the development.

## OPTIONS FOR MANAGING DEVELOPMENT FUNDS

There are three options for managing such development funds :-

1. The funds are held by a Government Department.
2. The funds are held by a community trust, (for example as suggested for the Docklands by John Freidman).
3. The funds are administered by the users and providers of affordable public housing ...(tenants, regional housing councils, the relevant government departments, the peak welfare bodies and so on).

The third option is the one preferred. This places the money where knowledge and need are located, thus giving greater autonomy to the providers and users of affordable housing, and guarantees the existence and independence of the consumer agencies (tenants organisations, regional councils and so on).

## RATE REVENUE FROM GOVERNMENT PRIVATISATION.

The Commonwealth Government announced its intention of selling off its office buildings in Melbourne. To date, government office buildings have not been rateable, but will be rateable when sold. The rate revenue from former non-rateable offices should be used for the provision of affordable housing. Such a use of these rates would not be a cost to the Councils as they have previously not received rates from these properties.

The use of rates from former federally owned (non rateable properties) would extract some public benefit from the loss to the private sector of what are, after all, public assets.

The use of such funds should be additional to a much larger programme funded by the surplus that councils such as the Melbourne City Council, currently possess, largely as a result of the privatisation of its electricity assets.

(It is noted with much approval, that the Moreland Council is setting an example by using funds from the "forced" sale of its Electricity Company to fund housing) Information about People's Committee for Melbourne 9326.8245.

*Housing is also a productive asset. If a house lasts 50 years, then if 2% of its capital value is allocated from the rent, during the 50 year lifetime of the house, this allocation will pay for its capital value.*

*From "We Must Go On," by Oswald Barnett, page 54, published 1944*

## Another Source of Housing Finance Reduce Spending on Weapons of War !

In evidence at the Enquiry into the Landlord and Tenant Act in the mid 1950 it was stated that :-

*Money for housing could come straight from the Federal Government without increasing taxes by one penny. This could be done by reducing the present excessive war expenditure of 200,000,000 pounds annually.*

(Quote from "Wanted A New Housing Policy" a pamphlet published by the Communist Party of Australia in the mid 1950s, (Crow Coll P.363.5)

**Currently Australia spends 10 billion dollar a year on defence**

Contributed by Alvie Booth. Information on arms expenditre CICD

## Community Audit

### The People Together Report-Back Seminar

The **Community Audit** is a **People Together Project** (co-chaired by Jean McCaughey and Ben Bodna) which involves people in examining the impact of State Government "reforms" on local communities. It recently held a seminar in the Melbourne Town Hall on the theme **Creating Community**. To date, three rural and four metropolitan audits have been held. The rural reports show that in addition to the actual loss of services, the closures mean loss of jobs and more families leaving country towns. The report states :-

*Running through all the audits, especially the rural audits, is a deep anger at the loss of services which the community had depended on as part of their life... the closure of railway stations, schools, kindergartens, hospitals, and radical changes in local government especially the sacking of shires.*

*The devastating byproduct of the population decline is the effect on the social fabric of the community... In this area sporting clubs are a significant part of the community's social activity; if they are not maintained the cohesiveness of the community will decline.*

The challenging words used by Prof. Don Edgar in 1997 at the **People Together Seminar**, mirrored words used by Os Barnett in 1944, in his book on post war reconstruction **We Must Go On !**

Here two quotes are juxtaposed

**DON EDGAR 1997**

*Lets turn our disadvantages to common good and build a community that is quite different*

**WE MUST GO ON !**

**OSWALD BARNETT 1944**

*Entrenched self-interest will will not be powerful enough to stem the tide of social change.*

**WE MUST GO ON !**



# People and public housing

PAST mistakes and contemporary success stories are part of the history of public housing in Melbourne and the subject of a Moreland exhibition, Stephanie Francis reports.



**W**ELL-designed, local public housing will be on show this month as part of Moreland Council's housing exhibition.

Moreland's housing officer Joe Cassar said the photographic exhibition would look at Australian housing and the government's role in housing provision.

Mr Cassar said the exhibition was timely in view of the Commonwealth Government's planned reforms to the Commonwealth-State Housing Agreement.

He said the Federal Government's plan to phase out the \$250 million it paid the States for public housing in favor of paying rental support had been "put on the backburner" at least for the next two years.

But Mr Cassar said public housing had suffered a 46 per cent cut in real terms during the Hawke-Keating Labor Government.

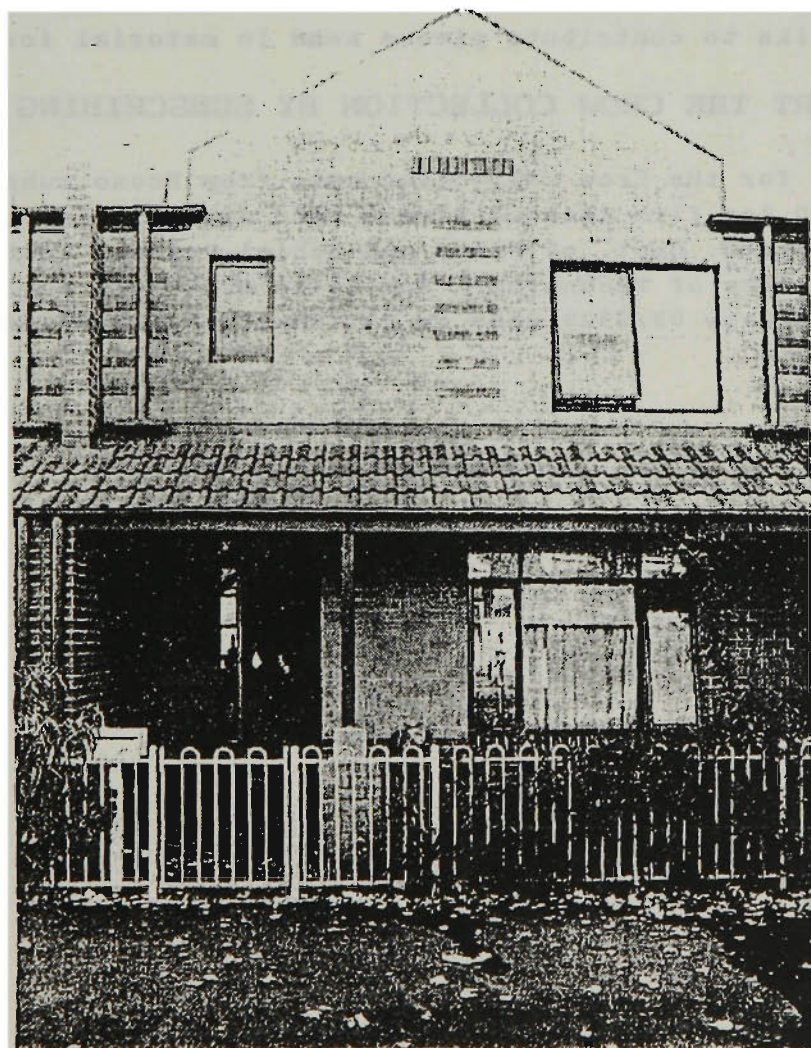
The latest Howard Budget cut funds by 25 per cent over the next four years.

Mr Cassar said the exhibition would include the Oz Barnett photographic exhibition of inner city housing in the 1930s.

Oz Barnett was a member of the Methodist Church who formed a study group focused on housing reform. Its work led to the formation of the Victorian Housing Commission.

The exhibition will also include photographs of contemporary public housing in Moreland, including that developed for older people in Barkly St, Brunswick.

Brunswick Public Tenants Association tenant worker Martin



O'Byrne said involving tenants in the design process was important in determining whether a building was well-designed.

"We try to get tenants involved in the planning and design because they are, in one sense, the experts because they have to live there."

The Barkly Wilson Development in Barkly St, Brunswick, was one

example of community input creating good design, Mr O'Byrne said.

"There were 40 walk-up concrete example flats on the site. It was very dilapidated housing, way past its use-by date, extremely hot in summer and cold in winter.

"The community, the former Brunswick Council and the local tenants' association convinced the

**ABOVE:** Joe Cassar, fourth from left. The photographic exhibition explores Australian housing.

*Back view 1st on left*  
**LEFT:** Barkly St development — an example of good public housing.

Department of Planning and Development (formerly Ministry of Housing) to listen to their ideas for the flats' redevelopment."

Now, there are 40 one and two-storey units, suitable for older people or families.

"The Ministry of Housing originally planned to have carparking on-site," Mr O'Byrne said.

"The community said there should be no parking on-site, to maximise unit and yard space.

**T**HERE is low car ownership on the estate and the council supported car parking on the street.

"People find the units light and airy, the design of the kitchen and bathroom is good and there's a sense of community as a result of involving them in the design process."

Mr O'Byrne said the community had recently scored a victory by convincing the Department of Planning and Development to demolish concrete public housing at 166A Barkly St, Brunswick.

The department was going to re-vamp the concrete building but, after community lobbying, will build modern, ground-floor one and two-bedroom units designed for older people.

The exhibition runs from June 13-27 at the Brunswick Town Hall.

## INFORMATION ABOUT ECOSO EXCHANGE NEWSLETTER.

Eco - Ecological, Soc - sociological, Exchange - non-authoritarian

Since 1990 Ecoso Exchange Newsletter has been the newsletter for the Crow Collection Association (Incorporated). The forerunner of Ecoso was called Irregular. It was first published in 1967 when Maurie and Ruth Crow helped to initiate regular discussion groups on urban issues as a follow up to the trade union based Living Standards Convention which was held that year.

In 1973 the name was changed to Ecoso and four guidelines were adopted.:-

1. The promotion of community participation.
2. Popularising changing life styles which combat consumerism.
3. Advocating restricting use of non renewable resources .
4. Achieving these objectives through participation.

### ABOUT THE CROW COLLECTION ASSOCIATION

The Crow Collection consist of books and unpublished documents on political and sociological issues which were donated by Ruth Crow to the VUT in 1990. Supporters of the Collection have formed the Crow Collection Association which has the aim of enhancing the comprehensiveness of and accessibility to the Collection. These aims are implemented by the publication of Ecoso, projects around specific issues and occasional social gatherings..

The 1995 Senate Inquiry on Citizenship asked the challenging question *What Sort of Society Do You Want Australia To Be ?* Ecoso continues this discourse. If you would like to contribute please send in material for Ecoso articles.

### SUPPORT THE CROW COLLECTION BY SUBSCRIBING TO ECOSO

The main funds for the Crow Collection come from Ecoso subs. The subscriptions to Ecoso is \$10 for five issues. Please send subscription to Crow Collection c/o Ms Sheila Byard, Dept. of Urban and Social Policy, Footscray Campus of the Victoria University of Technology, Box 14428 MCMC Melb 8001. (More information by phoning Ruth Crow 03/9329.8685 or FAX Sheila Byard 03/9688.4324).



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