



# Houses as Homes

Immediate responses to  
the Housing Crisis  
2023

 Catholic Social Services  
Victoria  
*...building a more just and compassionate society*



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# **Houses as Homes: Immediate Responses to the Housing Crisis**

CSSV Discussion Paper in Response to Homelessness  
Week August 2023

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## Summary of Recommendations:

<b>Recommendation 1</b>	Reduce vacant housing rates across Victoria by strengthening the Vacant Residential Land Tax program
<b>Recommendation 2</b>	Government implements a broad-scale head-leasing program for vacant premises that provide concrete incentives to maximise property occupancy
<b>Recommendation 3</b>	Government and land-owners carefully consider short-stay accommodation offerings and associated policy through the lens that the housing crisis is a crucial matter of justice and housing stock should be prioritised as homes
<b>Recommendation 4</b>	Government purchases existing property for an expansive affordable renting scheme
<b>Recommendation 5</b>	All new housing supply plans, both large and small scale, include consideration of the needs of the whole person, with inclusion of community development and support initiatives
<b>Recommendation 6</b>	Crisis intervention is additionally funded and temporary housing provided in regional and rural areas where the housing crisis remains an ongoing issue

## Introduction

Catholic social services and the Catholic community, alongside the broader faith and social services sector, have been working to alleviate housing pressures and the challenges of responding to homelessness for many years, in many different and creative ways. In our current moment the combination of everyday rising costs and limited availability of affordable accommodation have resulted in an unprecedented national conversation on housing policy. Political debates, media reporting and industry discussions in different ways are interrogating this widespread concern.

The focus of discussions on how to address the housing crisis is currently on increasing housing stock and the ways that this can be achieved. The National Cabinet will meet in the coming weeks and housing supply will be on the agenda. It is important that other policy and resource elements are addressed and considered.

A recent [Community Housing Industry Association report](#) identified that there are currently 640,000 Australian households whose housing needs are not being met, and that 47,000 additional social and affordable homes are required per year to meet the projected needs of households over the next 20 years. Catholic Social Services Victoria (CSSV) has made repeated calls for increased investment in social housing, particularly asking that 6,000 social housing homes be built in Victoria every year over the coming decade. CSSV alongside a huge array of sector organisations have backed the requests of [the Everybody's Home](#) initiative which advocates for critical changes to our housing system.

While grateful for large investment by the Victorian Government in the 'Victorian Big Build' over the past three years, CSSV's members who are working to prevent and address homelessness have urged action to address the immediate and critical needs. Many are already experiencing homelessness and severe housing stress, with unprecedented numbers in regional and rural Victoria.

CSSV members have also articulated the importance of partnerships that include local and smaller-scale initiatives that can respond to the unique situation and needs of their areas. In 2018, research by CSSV found that in the Archdiocese of Melbourne, at least one in five parishes are using property held for social benefit in a wide variety of ways, alongside the specialist work of our member organisations.

In their [2018 Social Justice Statement](#), the Australian Catholic Bishops Conference lay down a challenge for Government, communities and individual persons:

"Jesus challenges us as individuals and as a nation. Will Australia let its heart go out to the homeless or will we continue to walk past? Can we be like the good Samaritan who bridges the divide and addresses both the symptoms and causes of distress?"

The current crisis requires that we reflect on our own situations as organisations, communities, Governments and the Church and find creative solutions. Every level of government should encourage and provide opportunities for engagement, collaboration and cooperation across a range of sectors – and should create broader forums for creative

thinking together – so that at the local, regional and national level we are working to address both the “symptoms and causes of distress”.

CSSV is heartened by the establishment of a [Victorian Government taskforce](#) led by deputy premier Jacinta Allan which is examining measures to boost housing supply and considering measures such as rent caps or other forms of rent control, regulation or taxation of the short-stay industry and improvements to the state’s vacancy tax to improve the private rental situation which impacts on some 25% of Victorian households. Our hope is that forthcoming interventions will make the private rental market accessible again to unemployed workers, the working poor, and those who have dealt with great adversity and trauma in their lives. This particularly includes people seeking asylum, refugees, and people with a history of homelessness, and other health complexities.

However, supply is only one part of the puzzle, and there are other serious recommendations that need to be considered by Government.

Houses must predominantly be created as homes, not as instruments or investments for wealth accumulation. Our policy environment must keep this principle as front and centre. The cost and toll of the housing crisis is immeasurable – as the Bishops remind us from their [2018 statement](#): “The real cost to society relates to the damage done to people’s human dignity and the weakening of the community. These costs are far more than financial.”

With these considerations in mind, following Homelessness week, CSSV calls for the following:

## 1. Attention on Existing Housing Stock

### 1.1. Vacant and Under-utilised Dwellings

Some attention in both policy settings and broader media has been on unoccupied or under-occupied dwellings. The possibility exists in the use of vacant or under-utilised housing in making rental properties more available and affordable, and thus assisting with alleviating the housing crisis.

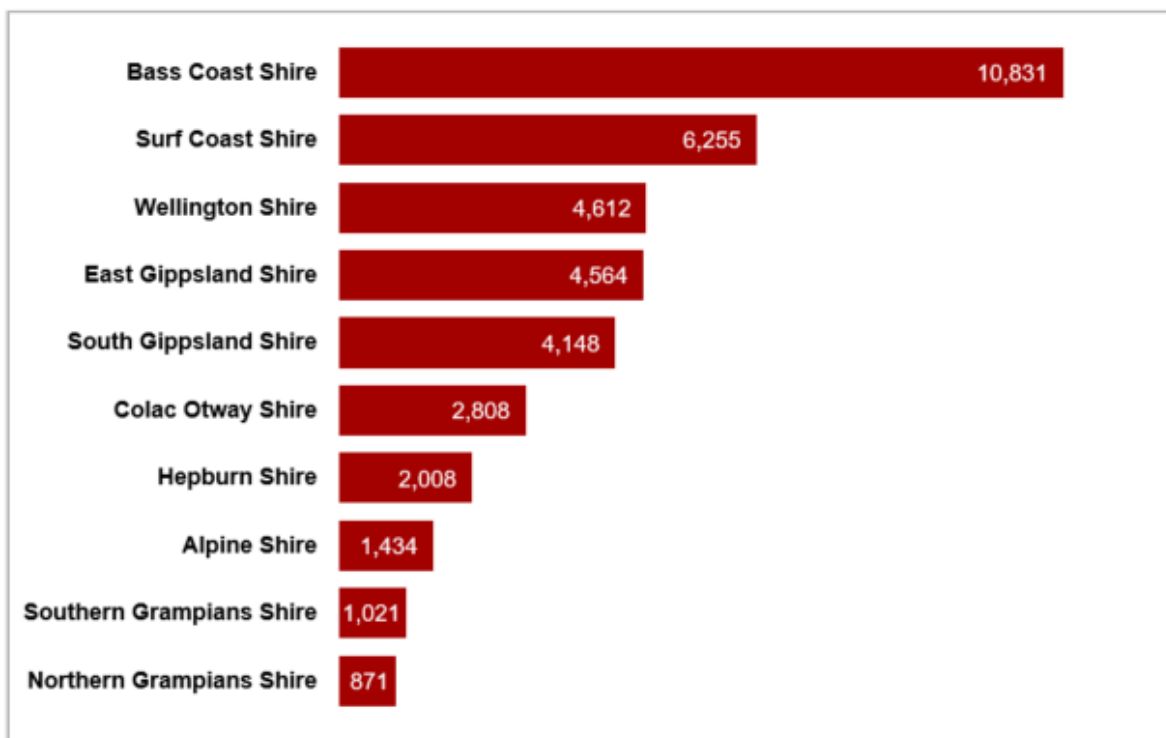
[2021 census data](#) reported that there are about 1 million unoccupied homes in Australia. There are reasonable explanations that account for many of these vacancies. But even a small percentage of this number being left vacant for no good reason, in the context of the housing crisis, is too many homes in Australia left unoccupied for weeks, months and years. This cost affects us all. As discussed by Baker, Beer and Blake in [the Conversation](#): “Those who are homeless are paying the highest price. But the rest of us feel the pain through higher rents, increased rates to pay for infrastructure constructed for housing that isn't occupied, and greater difficulties in getting into the housing market.”

Prosper Australia has been measuring vacancy rates across the metropolitan region of Melbourne since 2007. Their most recent [report](#) based on 2019 figures showed:

- 69,004 properties were likely vacant in 2019
- The number of empty or under-utilised properties could house over 185,000 people (on current household averages)
- 24,042 dwellings used 0L of water per day on average over a 12-month period
- Vacancies increased 13.3% between 2017 and 2019
- Vacancies recorded in 2019 could house 185,000 people.
- Weak enforcement of the Vacant Residential Land Tax has cost \$160 million a year in taxpayer money.

2021 Australian Census figures show that 11.1% of homes in Victoria were unoccupied on the Census night, with an increase between 2016 (278,627) and 2021 (298,029). [Further analysis](#) shows that 10% of homes in metropolitan Melbourne were unoccupied, and of note, that the percentage of unoccupied dwellings is higher in regional Victoria, with the figure being at 14%. To highlight these regional figures, the following provides an overview of the number of vacant properties in selected regional local government areas (LGAs) in Victoria on Census night:

### Number of unoccupied dwellings in select LGAs on Census night 2021



Source: ABS 2021 Census data

Of note is that Census figures were reported during a lockdown period when people were more likely to be at home. The [ABS has reported through the media](#) that it takes a substantial range of measures to ensure it calculates the usual residents of the area, so can say with reasonable confidence that unoccupied dwellings have substantial potential options for housing use. These findings suggest that there are tens of thousands of dwellings that could be better utilised across the state.

## 1.2. Incentives that ensure property occupancy is maximised

**Recommendation 1: Reduce vacant housing rates across Victoria by strengthening the Vacant Residential Land Tax program. We also urge that any revenue created be directed to social and affordable housing initiatives.**

The Victorian Government has recognised vacancy rates as an issue and introduced a Vacant Residential Land Tax in 2017. The tax targets those who have left their properties vacant for more than six months and carries an annual tax of 1% of the capital improved value (CIV) of the taxable land. This tax applies only to vacant residential dwellings in the following local council areas:

- Banyule
- Bayside
- Boroodara
- Darebin
- Glen Eira
- Hobson's Bay
- Manningham
- Maribyrnong
- Melbourne
- Monash
- Moonee Valley
- Moreland
- Port Phillip
- Stonnington
- Whitehorse
- Yarra

The current tax consists of an annual amount of 1 per cent of the capital improved value (CIV) of taxable land. For example, if the taxable land has a CIV of \$500,000, the tax is \$5,000. Property is considered vacant if it is unoccupied for more than six months a year and owners are required to notify the State Revenue Office (SRO) in such circumstances. The SRO reports that it undertakes monitoring and compliance activities. Figures from the Prosper Australia report indicate that the Vacant Residential Land Tax was levied on only 2.6% of absolute vacancies in 2019, with no fines recorded against non-declaring landholders.

Appropriate use of Victorian housing stock as homes for people could be achieved by increasing compliancy measures and expansion of the council areas to which the Vacant Residential Land Tax applies. [The national rental vacancy rate was 0.8%](#) in April 2023, a record low for the country. Therefore, we recommend that the Government implement real and enforced disincentives that ensure property occupancy is maximised. We also urge that any revenue created be directed to social and affordable housing initiatives.



### 1.3. Head Leasing by Government of vacant premises

To open up a new set of affordable and secure housing opportunities in the immediate future for those who are most at risk of homelessness in Victoria, CSSV recommends that the Victorian Government consider implementing a broad-scale head leasing program for vacant premises. Models for this type of program exist in the [Defence Housing program](#), the [Homelessness to a Home \(H2H\) program](#), and in [Homelessness Housing Tenancy administration](#) in Victoria.

Such a program could also address private landowner concern about costs of maintaining premises or risks associated with dealing with tenants. These properties could then be managed by the Office of Housing, community housing organisations and leased as affordable rental properties at reduced rates or be tenanted by suitable people from the Public Housing waiting list.

**Recommendation 2: Government implements a broad-scale head-leasing program for vacant premises that provide concrete incentives to maximise property occupancy.**

### 1.4. Addressing Short-stay Accommodation

The [Australian Housing and Urban Research Institute](#) identified the rise in short-stay accommodation through online platforms such as AirBnB and Stayz as a contributing factor to the insufficient availability of rental properties.

Reasons for the attractiveness for property owners in shifting to the short-stay accommodation market include:

- Demand from holiday makers, both local and international.
- Greater flexibility, allowing use of the property by the owner or friends when desired.
- Higher rental income – ability to charge a higher rate per night or week, with peak and off-peak rates possible.

Different levels of governments have responded to this issue in various ways. Some examples include:

- Brisbane City Council imposed a rate surcharge on short-stay accommodation, which has recently been [raised from 50 to 65 per cent](#).
- Noosa Shire Council has [adopted a new local law](#) requiring a one-off application to be made for existing and new properties operating as short-stay or home-hosted accommodation unless identified as exempt.
- Hobart City Council has recently [doubled rates](#) for short-stay properties.

- Hepburn, Alpine shire, East Gippsland shire and Bega Valley are among the councils that have [sent letters to ratepayers](#) requesting to move short-stay homes into the long-term rental market.

**Recommendation 3: Government and land-owners carefully consider short-stay accommodation offerings and associated policy through the lens that the housing crisis is a crucial matter of justice and housing stock should be prioritised as homes.**

## 1.5. Rental Provisions

[With rents at an all-time high](#), immediate market measures must be taken to address rent affordability issues.

To achieve an affordable renting scheme, CSSV recommends that the government, in this time of higher interest rates and therefore relative stability in the housing market average price, allocate significant funds to purchase properties immediately, ensuring that there are enough houses for rent at an affordable rate for those on low and fixed incomes. This should be in addition to longer-term planning commitments.

**Recommendation 4: Government purchases existing property for an expansive affordable renting scheme.**

## 2. Housing supply must include provision for ongoing social and community service support

While supply of housing stock is critical, it is especially important to not lose sight—amid a crisis—of the holistic supports that are required to allow a person to thrive and provide opportunities for community and connection. This conversation, and due consideration, must take place alongside any policy that affects housing supply and new building works. The community sector, and faith leaders and communities, are well placed to contribute to these considerations and deliberations.

Social services must be connected with new buildings from the outset to ensure that we create thriving communities.

There are widespread concerns regarding the planning measures that have allowed many areas of peri-urban development to suffer infrastructure lag, which amplifies loneliness and isolation of individuals, and lack of green canopy and associated heat island effects, which particularly impact older and vulnerable community members.

In countering these impacts, the work of Edmund Rice Community Services – Mt Atkinson, a CSSV Member, is an example of a partnership between a community service organisation

and a private developer within a growth corridor on the northwestern outskirts of Melbourne. With house builds underway, Edmund Rice Services has been given access to existing premises from which it operates a community centre with a suite of programs that engage with new and existing residents—building the foundations that engender healthy, well-functioning communities, families and individuals

These types of community partnerships are vital in providing long-term and sustainable housing options, particularly for those most vulnerable, those on the margins and those with complex needs.

Many other CSSV members are substantial contributors to community and service support alongside development and provision of affordable and social housing. Villa Maria Catholic Homes (VMCH) wrap around a number of services to properties they have built and steward to some of the poorest Victorians. CatholicCare Victoria and the St Vincent de Paul Society/VincentCare have made substantial co-contributions and are partners in the big housing build – and have some existing service infrastructure, including the use of volunteers, in their work to make those developments a part of thriving communities. Others such as Sacred Heart Mission, Corpus Christi Greenvale and Jesuit Social Services continue to provide a range of specialist services and accommodation options to persons and groups who have long histories of homelessness and difficult life experiences. These organisations, alongside the people they serve, can provide input into the kinds of community development and service approaches that will see a brighter future for the poorest and most marginalised Victorians. Parishes and associated communities are often intimately involved in the life of their community and in the work to address homelessness — through both formal and informal supports. Whether it be a food bank in a Church hall, a community lunch offered, involvement in the Winter Night Shelter movement or through providing donations and resource for meetings and gatherings of people to consider the issues in their communities.

These connections and associated work should be considered as we work together to address all aspects of the housing crisis and situations of homeless Victorians.

**Recommendation 5: All new housing supply plans, both large and small scale, include consideration of the needs of the whole person, with inclusion of community development and support initiatives.**

### 3. Regional Crisis Response

In areas where there have been substantial natural disaster, the pandemic compounded housing issues. Crisis housing is stretched beyond capacity. Although we, and many of our members, all agree that investment in prevention and early intervention is best, we also need crisis intervention. For example, the expanded work by the St Vincent de Paul Society

in East Gippsland, mostly supported through a highly organised volunteer workforce alongside other service supports, demonstrate the urgency of Government intervention to step in and relieve the critical pressure in regional centres and communities who are dealing with significant homelessness.

**Recommendation 6: Crisis intervention is additionally funded and temporary housing provided in regional and rural areas where the housing crisis remains an ongoing issue.**

## Conclusion

Catholic Social Services Victoria's members work across a wide range of areas that prevent homelessness by working in early intervention in a variety of programs that work to strengthen families, build up supportive communities, and assist individual persons to navigate the complexity of their own lives and address challenge and trauma. They work and have a range of programs that assist people back on their feet—to recover, to find pathways back to meaning and establishing a home. They also provide accompaniment and specialised aged care homes for individuals who have lived a life of homelessness. They have great expertise and an amazing workforce. This work is bolstered by volunteers who, such as in the case of the St Vincent de Paul Society, do much core work.

However, despite their good work with so many, homelessness is more apparent and more widespread than ever. We have a housing crisis. We need the policy settings and our systems to change so that their good work can have more impact. This requires good will, individual and collective community action, and government investment and policy change.

This work must continue beyond Homelessness Week 2023, CSSV urges that we all reflect on our own situation, our own community, and our own context to see how we can change the housing crisis into a Victoria and Australia where there are homes for all. We also urge the government to seriously consider these recommendations and to work with faith communities and the community sector to tackle this shared crisis.

## Appendix 1: Catholic Social Services Victoria Members

Aboriginal Catholic Ministry  
Assisi Centre  
Australian Catholic Religious Against Trafficking in Humans (ACRATH)  
Brigidine Asylum Seeker Project  
Cabrini Outreach  
CatholicCare Victoria  
Catholic Womens League Victoria and Wagga Wagga  
Corazon  
Corpus Christi Community  
Don Bosco Youth Centre & Hostel Inc.  
Edmund Rice Camps (Amberley)  
Edmund Rice Refugee and Community Services  
Edmund Rice Services – Mt Atkinson  
Good Samaritan Inn  
Good Shepherd Australia New Zealand  
House of Welcome Ballarat  
Jesuit Social Services  
JoCare  
John Pierce Centre for Deaf Ministry  
Joseph's Corner  
Kewn Kreestha (Family Care Sisters)  
Keysborough Learning Centre  
Links and Consolidation Network (LinCoN)  
MacKillop Family Services  
Mary Aikenhead Ministries  
Highways and Byways (Missionary Sisters of Service)  
Nazareth House – Sisters of Nazareth  
Order of Malta Hospice Home Care (Vic) Inc.  
Pregnancy Assistance Frankston  
Rosie's Oblate Youth Ministry  
Sacred Heart Mission Inc.  
St John of God ACCORD  
St Joseph's Flexible Learning Centre  
St Joseph's Home for the Aged - Little Sisters of the Poor  
St Mary's House of Welcome Ltd  
St Vincent de Paul Society Victoria Inc.  
Vietnamese Catholic Family Mutual Assistance Network  
Villa Maria Catholic Homes (VMCH)  
VincentCare Victoria  
Wellsprings for Women

