

Just Home Margaret River Inc. Our vision is secure, stable shelter for all

"I wouldn't wish this on anyone": The Augusta Margaret River housing crisis

March 2021



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ACKNOWLEDGEMENTS

Just Home Margaret River Inc. acknowledges that we live and work on the land of the Wardandi first peoples. We pay our respects to Elders past, present and emerging, and we acknowledge that sovereignty has never been ceded.

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About Just Home Margaret River Inc.

Just Home Margaret River Inc. is a community-based housing justice and homelessness organisation in the Augusta-Margaret River region in Wardandi Boodja, South West WA. It is led by people with lived experience of homelessness and housing stress, and their allies. Just Home provides a Housing Information and Referral Service, community development programs, and advocates for appropriate housing policy and action, including the development of social housing in our region. Just Home is a volunteer-led movement for housing justice, and has three part-time staff.

For more information, please visit <u>www.justhome.org</u> and contact <u>chair@justhome.org.au</u>



EXECUTIVE SUMMARY

The tourism town of Margaret River is in a severe housing crisis that has been brewing for several years and is exacerbated by the pandemic. This is due to very low availability of rentals in Augusta-Margaret River (AMR), with a residential vacancies rate of 0.2%, and increasing unaffordability of housing. The housing crisis is occurring alongside a worker shortage in industries such as hospitality and agriculture. On 28 March 2021, the WA Government's moratorium on evictions and a ban on rent increases will expire. The impacts on local families and the local economy are profound. Many local workers and families in AMR are facing eviction due to the end of their lease or sale of their rental, and/or rent increases, and they are struggling to find a rental property. Homelessness and housing stress have worsened in AMR and urgent action is required.

Methodology

Between 21 January and 24 February 2021, Just Home conducted a survey for any resident of Augusta-Margaret River who self-identify as being affected by the housing crisis. The survey collected demographic data, and asked questions about the respondent's housing situation. The survey was completed by 82 AMR residents (59 females and 23 males) who self-identify as being affected by the housing crisis, and 74 respondents (191 householders, including 75 children) are experiencing homelessness or at risk of homelessness due to insecure and unstable accommodation. This data is only a small proportion of all AMR people who are affected by the housing crisis.

Findings

Many working families in AMR are in unstable accommodation due to the housing crisis, in insecure private rentals with pending evictions, temporary and short-stay accommodation, caravans, and staying with family. 62 respondents (163 householders) are currently looking for a rental property, and 51 respondents are experiencing difficulties finding a rental. The rental lease is about to expire for 29 respondents, and 20 respondents need to find a new rental because their rental property has been sold or is for sale. Most families looking for a rental said they would leave the region if they cannot find a home, which will see a loss of local workers (especially in tourism and agriculture).

The median expenditure on housing is 45% of household income, indicating housing stress. Most respondents (80%) say they can always pay their rent, but this capacity is likely to change when the government ban on rental increases expires on 28 March 2021. Most people affected by the housing crisis are employed locally or have caring responsibilities. Women (especially single mothers), employed peoples and children are particularly at risk of homelessness. Most respondents say the housing crisis is affecting their mental health.

Discussion

The findings reinforce that the AMR community is experiencing a housing crisis, and that the crisis has increased in severity. This report shares the situations of 74 AMR residents (191 householders) who are experiencing homelessness or are at risk of homelessness due to insecure accommodation, but the real numbers of people affected by the housing crisis would be much higher. Just Home conservatively estimates that at least 150 families (400 people) in AMR are currently on the precipice of homelessness.

Availability and affordability of housing are the most pressing housing issues in AMR. There is no crisis accommodation in AMR, and as of 1 March 2021, realestate.com had five properties listed for rent in Margaret River, including a standard four-bedroom, two bathroom house for \$595 per week. The options for people who become homeless during the current housing crisis in AMR include:

• People who become homeless may move to a tent or caravan/campervan in a caravan park or private or public property, or in their car or on the street. This will be difficult due to affordability and availability of camping sites, due to high intrastate visitors.



- People who become homeless may temporarily move in with family or friends while trying to find accommodation. This may be very stressful, particularly if there is overcrowding.
- People who become homeless may find temporary accommodation in a hotel or other shortstay accommodation. This will be very expensive, and availability is likely to be limited.
- People who become homeless may leave the AMR region, and the region will lose vital workers. Families (especially children) will experience significant disruption.
- People who become homeless may find a home, although the current vacancy rates suggest that this will not occur quickly for most people who find themselves homeless.

Rent increases are highly likely, making housing even more unaffordable due to the low median income and high median rent in AMR, and the end of JobKeeper and the end of the higher rate of JobSeeker. This puts more workers and families at high risk of homelessness, with further risk of family and domestic violence, mental and physical health issues, and substance use – and AMR seriously lacks services for these issues. Higher rates of physical and mental illness due to increased homelessness in AMR will require more state and federal government expenditure.

A call for action

AMR is experiencing a disaster that requires an urgent, coordinated, resourced humanitarian response with appropriate, temporary shelter options that are accessible for all people. Without an effective response, we will see increased homelessness and some local workers will leave our community to find accommodation elsewhere. Just Home calls for the following actions:

- **1.** That the WA Government extends the moratorium on evictions and rental increases for a further 12-months.
- 2. That the housing crisis in Augusta-Margaret River is considered an emergency similar to a natural disaster, and a humanitarian response with emergency accommodation and support services is initiated by 29 March 2021 by relevant government authorities in partnership with local stakeholders.
- 3. That the WA Government provides \$130,000 in funding to Just Home Margaret River Inc to increase our staffing levels by one full-time staff for 12-months to provide information, referrals, advocacy and support to the growing number of people experiencing or at risk of homelessness in Augusta-Margaret River.
- 4. That the WA Government urgently constructs at least 200 new social and affordable housing dwellings in the Augusta-Margaret River region.
- 5. That the Department of Housing urgently resolve the issue of 13 empty units in the Margaret River Baptistcare complex to provide affordable housing for aged people.
- 6. That the WA Government vests the vacant WaterCorp site on Terry Road, Margaret River to the Shire of Augusta Margaret River for the purposes of social and affordable housing.
- 7. That the WA government amends the Caravan and Camping Regulations to allow for selfcontained mobile dwellings to be permitted on private property for longer than three out of 28 days.
- 8. That the WA Government legislates for a minimum of 20 per cent social and affordable homes in large-scale private residential developments.
- 9. That the rates of JobSeeker and Rent Assistance are increased to reflect real costs of living.

Just Home calls on all levels of government to work with the AMR community to develop urgent and long-term solutions to address the housing crisis and ensure that everyone has shelter.



1 INTRODUCTION

The tourism region of Augusta-Margaret River (AMR) is in a severe housing crisis. This is due to very low availability of rentals in AMR, and unaffordability of housing. An ABC article¹ from 30 January 2021 reports CoreLogic data that the residential vacancy rate in Margaret River is 0.2%, along with a severe worker shortage across industries such as hospitality and agriculture. In 2020, the WA Government enacted the *Residential Tenancies (COVID-19 Response) Act 2020*, which included a moratorium on evictions and a ban on rent increases. These tenancy laws have provided housing security for renters, but the laws will expire on 28 March 2021. The impacts on local families and the local economy are profound. It is very difficult to attract and retain workers when there is no housing².

Over the past three months, many local renters in AMR have communicated to Just Home that they are facing eviction and/or rent increases after 28 March 2021, and they are struggling to find a rental property. In January-February 2021, Just Home conducted a survey for people living in the AMR area who are currently experiencing homelessness or at risk of homelessness due to the housing and rental crisis. This information was collected to help inform housing action in our community.

The survey was completed by 82 AMR residents (59 females and 23 males) who self-identify as being affected by the housing crisis, and 74 respondents (193 householders) were considered to be experiencing homelessness or at risk of homelessness due to insecure and unstable accommodation. The data is only a small proportion of all local people who are affected by the housing crisis in AMR, and they provide insight into local experiences, issues and needs. The survey findings are reinforced by data from Just Home's work with people experiencing homelessness and housing stress in AMR during the COVID-19 period³. Between 27 March 2020 and 31 December 2020, Just Home's part-time service supported 51 adults experiencing homelessness and housing stress; facilitated access to accommodation in local hotels for 33 people (26 adults and 7 children); and responded to 163 inquiries from AMR residents experiencing homelessness or housing stress, providing advice or referrals where required.

The housing crisis in AMR has been brewing for many years, and this crisis is exacerbated by the pandemic. In December 2019, professional services firm Arup engaged in a pro bono project with Just Home to assess opportunities to address the housing crisis in AMR. Arup's report identified several factors that contribute to lack of access to affordable housing in the region⁴:

- 1. The price of rental accommodation is largely unaffordable for people on lower incomes.
- 2. The local housing market does not provide sufficient supply to meet demand.
- 3. Instances of persistent disadvantage over multiple generations exist.
- 4. There is high underemployment within the region, impacted further by the seasonality of tourism and associated employment opportunities.
- 5. AMR has a high proportion of unoccupied dwellings which limit long term rental stock and access to housing [30% of housing in AMR is unoccupied].
- 6. Tourist demand means caravan parks are unaffordable and largely unavailable.

¹ Keenan, J. (2021). 'WA hospitality venues close during peak tourist season due to severe staff shortages', *ABC Online*, www.abc.net.au/news/2021-01-30/wa-hospitality-industry-battles-staff-shortages/13085968

² Juanola, N. (2020). 'Home owners in WA's South West called on to let out rooms to workers amid rental crisis', *WA Today*, www.watoday.com.au/national/western-australia/home-owners-in-wa-s-south-west-called-on-to-let-out-rooms-to-workers-amid-rental-crisis-20201112-p56e2l.html

³ With an average of one full-time staff member throughout 2020, Just Home's work and impact is exceptional.

⁴ Arup (2019). Assessing the Margaret River housing crisis, Arup, Fortitude Valley



- 7. There is a lack of crisis accommodation.
- 8. AMR's geographical distance from social services in Busselton and Bunbury negatively affects lower income residents significantly.

In this context, this report demonstrates that homelessness and housing stress have worsened in AMR due to the impacts of the pandemic, and it calls for urgent action to prevent further homelessness and retain local workers.

About this report

This report shares Just Home's research findings regarding the AMR housing crisis. It intends to inform action to prevent further homelessness in our community, and keep vital workers in our region.

The report is structured as follows:

- Survey methodology and sample
- Survey findings regarding:
 - Experiences of the housing crisis;
 - Challenges in people's housing situations;
 - \circ $\;$ Expiration of the COVID-19 tenancy laws; and
 - Social, emotional and health impacts of the housing crisis
- Discussion of the findings, including:
 - o Breadth of people affected by the housing crisis in AMR;
 - Availability of housing;
 - Affordability of housing; and
 - o Wellbeing.
- A call for action, including recommendations for local, state and federal governments.



2 METHODOLOGY

This report is informed by a Margaret River Housing and Homelessness Survey conducted by Just Home between 21 January and 24 February 2021. The survey was available for any resident of Augusta-Margaret River who self-identify as being affected by the housing crisis.

The survey asked the following:

- Demographic questions about the respondents: age, gender, race, place of residence, employment status, and receipt of income support
- Questions about the respondent's housing situation: the number of people they live with; current accommodation; household expenditure on rent; whether they are currently looking for a rental; status on the public housing list; number of children affected by their housing; safety and security of their housing; challenges in their accommodation; personal wellbeing; and impact of the expiration of the tenancy laws.

2.1 Survey sample

59 females and 23 males (total of 82 people) participated in the survey. The vast majority of respondents live in Margaret River (n=51; 62%), followed by Augusta (n=7, 9%). Five respondents (6%) do not have an address. Two females and one male identified as Aboriginal, and one female and three males identified as a person of colour. Respondents were most likely to be aged between 26 and 55. 43 respondents (53%) have children affected by their housing situation, and there are 75 children in total who are affected. Nearly 50% of the respondents receive some form of income support (Jobseeker, JobKeeper, Parenting Payment, Youth Allowance, Disability Support Pension, Aged Pension etc), and only 7 respondents are on the public housing waitlist.

Place of residence	Number of respondents
Margaret River	51
Augusta	7
Cowaramup	2
Prevelly/Gnarabup	2
Deepdene	2
Karridale	2
Witchcliffe	1
Burnside	2
Forrest Grove	1
I don't have an address	5
Did not respond	2
Outside AMR:	
Dunsborough	3
Nannup	1
Bunbury	1
TOTAL	82

Table 1: Respondents'	place of residence
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Table 2: Age of respondents

Age of respondent	Female	Male	TOTAL
0-17	0	0	0
18-25	7	2	9
26-35	13	5	19
36-45	25	5	31
46-55	8	7	15
56-65	5	2	7
66-75	1	2	3
TOTAL	59	23	82



Most respondents are employed or are studying, retired, unwell, disabled or undertaking caring responsibilities (n=54 female, 21 male; 93% of responses). 19 respondents (n=10 female and 9 male) are full-time employed; 17 respondents (n=15 females and 2 male) are part-time employed; 23 respondents (n=16 female and 7 male) are casually employed; 6 respondents (5 female and 1 male) are self-employed. Only four respondents are unemployed and looking for work (n=2 female, 2 male), and one respondent is unemployed and not looking for work.

Employment status	Female	Male	TOTAL
Full-time employed	10	9	19
Part-time employed	15	2	17
Casually employed	16	7	23
Self employed	5	1	6
Student	2	0	2
Unemployed and looking for work	2	2	4
Unemployed and not looking for work	1	0	1
Full-time caring	4	0	4
Retired	0	1	1
Other			
Disability pension	1	0	1
Unemployed and unwell	1	1	2
Did not respond	2	0	2
TOTAL	59	23	82

Table 3: Employment status of respondents

2.2 Analysis and formulating recommendations

The survey data was analysed by aggregating the quantitative and qualitative responses across the questions. Data was disaggregated by gender.

In the final section of this report, 'A call for action', the survey findings are considered alongside Just Home's previous knowledge, activity and advocacy in the AMR context, as the only locally-led homelessness organisation. Since 2017, Just Home has provided a part-time service to community members experiencing homelessness and housing stress, providing information, referrals, advocacy and support. We supported 106 people (54 females and 52 males) and their families experiencing homelessness and housing stress between July 2017 and June 2020. During the COVID-19 period (27 March 2020 and 31 December 2020), Just Home worked with 51 adults experiencing homelessness and housing stress, and we facilitated access to emergency accommodation in local hotels to 33 people (26 adults and 7 children). We also responded to 163 inquiries from AMR residents, providing advice or referrals where required. The recommended actions outlined at the end of this report respond to depth of the local housing crisis in AMR.



3 FINDINGS

3.1 Experiences of the housing crisis

Of the 82 people who completed the housing and homelessness survey, 74 respondents and their household members are experiencing homelessness or at risk of homelessness due to an insecure accommodation situation. This is a total of 191 across these 74 households, including 75 children. For the purposes of this report, we define "homelessness and at risk of homelessness due to insecure accommodation" as living on the street, swag, tent, car or caravan; couchsurfing; being in a share house that is not secure or safe; being in a private rental, social housing rental or National Rental Affordability Scheme rental that is not secure (such as lease up for expiration, needing to find a new rental, difficulty paying rent); being in a temporary rental or short-stay accommodation; staying with family and needing to find their own residence; and owning a home but insecure (such as due to difficulties paying mortgage costs).

Table 4 details the number of individual respondents and the total number of household members in each of the different accommodation scenarios. The data indicates that many working families in AMR are in unstable accommodation in insecure private rentals, temporary and short-stay accommodation, caravans, and staying with family due to the housing crisis.

Current	Number o	of responde	ents in this	Number of householders in this situation		
accommodation	accommodation situation			(respondent plus their household members)		
situation	Female	Male	Total number of respondents in this situation	Female respondents plus their household members	Male respondents plus their household members	Total number of householders in this situation
Street /swag / tent	0	2	2	0	2	2
Car	1	0	1	1	0	1
Couchsurfing	1	0	1	1	0	1
Caravan	8	5	13	18	12	30
House share: unstable	2	1	3	4	3	7
Private rental: unstable	24	9	33	71	23	94
NRAS rental: unstable	1	0	1	1	0	1
Short-stay accommodation	1	0	1	3	0	3
Short-term rental	8	1	9	19	3	22
Staying with family	6	1	7	20	3	23
Social housing: unstable	1	0	1	3	0	3
Homeowner: unstable	1	1	2	2	2	4
TOTAL	54	20	74	143	48	191

Table 4: Current accommodation for survey respondents and their household members



Some respondents articulated the precarity of the AMR rental market:

"It took us three months to find our current rental which has eight months left and I'm terrified of when that runs out" (Female, aged 36-45, part-time employed).

"I was made homeless for the 3rd time due to rental accommodation selling from under me, due to having pets to which I do not what to give away, I went and lived in bush in my camper trailer to which I have lived in over the winter months. I have lived in the shire for 22 years and will have to move away as soon as I find an affordable property rural to purchase for me and my pets" (Female, aged 46-55, full-time employed, living in a camper trailer).

3.2 Challenges in people's accommodation situations

The survey asked respondents if they were seeking a rental in AMR, and to identify any challenges in their accommodation situation from a list of options. The data indicates 62 people (a total of 163 people across their households) are currently looking for a rental, and 51 people are experiencing difficulties finding a rental. The rental lease is about to expire for 29 people, and 20 people need to find a new rental because their current rental has been sold or is for sale. A respondent stated,

"We are on a periodic lease since October 2020 and have been given notice to vacate by March 29. The owner can't sell the house with us living in it, so he wants to try marketing it when it's empty" (Female, aged 36-45, full-time employed).

41 respondents have children affected by their housing situation (total of 75 children); and nine respondents with part-custody say their housing affects their children being able to visit or stay over.

Challenging accommodation situations	Number of respondents in this situation
My lease is about to expire	29
I am experiencing difficulty finding a rental property	51
My rental property is for sale and I will need to vacate when it is sold	15
My rental property has been sold and I need to vacate	5
I am currently looking for a rental property	62 (total of 163 people across their households)
I have children affected by my housing situation	41 (total of 75 children across their households)
I am an adult living with my parents because I can't afford or find my own home	3
I don't have a legal lease	15
I do have a signed legal lease	10
My shelter doesn't have running water that is safe to drink	8
My shelter doesn't have any running water	8
My shelter doesn't have access to hot running water	8
My shelter doesn't have safe, reliable electricity	6
My shelter isn't weather proof or dry	7
My shelter is overcrowded	8
I am unable to lock up my shelter	11
My shelter doesn't have sufficient heating	11

Table 5: Challenging accommodation situations



Some respondents are currently living in inadequate housing, such as lacking running water, a bathroom, heating, and safe and reliable electricity:

"I have a 7-week old baby living in a shed with insufficient heating or cooling" (Female, aged 26-35, full-time carer, two children).

The survey also asked respondents about their expenditure on housing, including rent. On average, respondents are spending 35% of their household income on housing, and respondents' median expenditure on housing is 45% of household income. This is higher than the definition of housing stress, which is the lowest 40% of households spending more than 30% of their income on housing costs⁵. The most commonly reported rental price for respondents is between \$351 and \$450 per week, and 80% of respondents (51 people) say that they can always pay their rent. However, the capacity to pay for rent is likely to change when the government ban on rental increases expires on 28 March 2021. For example,

"My landlord wants to increase the rent considerably, as he has mentioned already. I won't be able to afford the rent when the rent laws expire" (Female, aged 36-45, student).

"My lovely landlady's getting old and if she dies, I'll definitely be homeless as there are no affordable rentals in this area" (Female, aged 55-65).

"I'm worried about affordable housing for ageing singles that need to work but can't work the 30-hr week as expected before pension. I am scared of being homeless in my future, noone wants to houseshare with a granny" (Female, aged 56-65, casually employed).

3.3 Expiration of the COVID-19 tenancy laws

69 respondents are aware or somewhat aware of the coronavirus residential rent laws, including the moratorium on evictions and ban on rental increases. The impending expiration of these laws on 28 March 2021 has seen some respondents receive notification of eviction and increased rent prices. For most people, the notice of eviction is because the lease has run out or because the rental house is for sale or has been sold. This is causing significant stress and will likely result in homelessness for some people:

"I have nothing guaranteed after this date, it's a very stressful way to live. How can people work and live when shelter is only available in an unaffordable and exclusive market" (Male, aged 36-45, full-time employed, two children)

"I believe we will likely be evicted at this time or have our rent increased significantly to a point we cannot afford to pay it" (Female, aged 26-35, casually employed, two children).

"This will affect me highly because if I'm unable to find a rental property by this time then I'll be at a high risk of being homeless" (Female, aged 26-35, single parent, part-time employed, one child).

"I am greatly concerned how I will secure my belongings, and very concerned about my welfare, and also how this will affect my access to my child" (Male, aged 46-55, unemployed and looking for work, one child).

⁵ Shire of Augusta Margaret River (2015). *Affordable Housing Strategy,* Shire of Augusta Margaret River, Margaret River.



3.4 Social, emotional and health impacts of the housing crisis

The data indicates that the housing crisis is affecting respondents' social and emotional wellbeing and their health. Stress is particularly common. 50 respondents say that their housing situation is affecting their mental health, and 29 respondents say that their housing situation is affecting their physical health. The housing crisis is particularly affecting the wellbeing of women who are single parents and their families:

"This has probably been the single most stressful time of my entire life. Currently 26 weeks pregnant single mother of two and I can't find a house or even basic accommodation anywhere. I have applied for rentals for over two months and even with the amazing rental record and references I've still been overlooked and rejected due to sheer numbers applying for houses... between 30-50 people turning up to some of the viewings on rental properties. Some people must be in cahoots with real estate agents because properties come off the websites before anyone has viewed or had a chance to apply for some properties. Shelters are booked out, women's refuge is overflowing. I can't even find somewhere to pitch a tent and my kids are due back at school on Monday. I've been fortunate enough to have a few places to stay but those are now drying up and we have nowhere to go. No one seems to be able to help. Incredibly stressful times indeed" (Female, aged 26-35, full-time carer, single parent to two children and currently pregnant).

"I've never felt so insecure about providing a home for my daughter and I. It has been fearful and affecting my health negatively. My daughter is also worried and fearful about it. If it [rental property] sells we only have 30 days to get out" (Female, aged 36-45, unemployed and looking for work, single parent to two children).

"I feel people are extorting the vulnerable. I'm a single mom who has shared care of chores, on a budget and am unable to find any affordable housing. I will be forced to move back in with ex-partner which will affect both my own and children's mental health" (Female, aged 36-45, part-time employed, single parent to two children)

35 respondents, most of whom are employed, state that they will leave the AMR region if they do not find housing, and four respondents have already left the region for this reason. However, it is difficult for respondents who work locally to move away to address their housing issues, due to employment and schooling commitments:

"I can't move from Margaret River because I run a local business" (Male, aged 26-35, selfemployed, one child)

51 respondents feel insecure or very insecure in their housing situation, and 15 respondents feel unsafe or very unsafe in their housing situation. Furthermore, only 23 respondents (28%) are confident that they will have housing in the winter months. One female respondent shared,

"Our rental was sold in November 2020 so we had to vacate in December 2020. My partner works in town and children go to the local school. We don't want to have to leave the area but haven't been able to find any houses to apply to rent. Currently living in a camper trailer and kids are in swags. Very concerned what we are going to do when it gets cold. I have a 4month old baby and very concerned about living in a camper trailer when it's wet and cold" (Female, aged 36-45, self-employed, currently homeless, four children including a 4-month old baby).



4 **DISCUSSION**

4.1 Breadth of people affected by the housing crisis in Augusta Margaret River

The findings reinforce that the AMR community is experiencing a housing crisis, and that the crisis has increased in severity. This report shares the stories and situations of 74 people representing 191 people who currently reside in the region and are experiencing homelessness or are at risk of homelessness due to insecure accommodation. We stress that this data only captures the situations of people who completed the survey. Not every local person affected by the housing crisis in AMR has responded to the survey – some people did not know about the survey, some people were unwilling to complete the survey, and some people did not have access to a computer. The real numbers of people affected by the housing crisis would be much higher.

Based on the general Just Home data of our clients and inquiries⁶, we are confident that many more people in our community are in similar situation to the 74 people who responded to the survey. We conservatively estimate that the actual number of people experiencing homelessness or at risk of homelessness due to insecure accommodation and affected by the housing crisis is at least double the figures captured in the survey. This would mean that nearly 400 people in AMR are currently on the precipice of homelessness - if not more - and this will be triggered on 28 March 2021 with the expiration of the moratorium of evictions and ban on rental increases.

The survey data also indicates that there is a wide range of people who are affected by the housing crisis; but some groups are overrepresented in our sample. Of the respondents, 72% are women, 93% of respondents are employed, caring or unable to work, and 52% have children. In particular, single mothers on a low income feature strongly. This group of women and their children are at high risk of homelessness.

4.2 Availability of housing

The data indicates that the most pressing housing issue in AMR is availability of affordable rental properties. There is no crisis accommodation in AMR, and as of 1 March 2021, realestate.com had five properties listed for rent in Margaret River, including a standard four-bedroom, two-bathroom house for \$595 per week⁷.

We identify the following options for people who become homeless during the current housing crisis in AMR:

People who become homeless may move to a tent or caravan/campervan in a caravan park or
private or public property, or in their car or on the street. There are already people in AMR in
these situations, and homelessness is highly likely to worsen given the current lack of affordable
rentals. It is also likely to be difficult for AMR residents who become homeless to access a site in
camping grounds due to unaffordability and availability of sites.

⁶ Godden, N & Gray, K. (2017). *First year review of Housing Advocacy Project 2017-2020,* Just Home Margaret River, Margaret River; Godden, N. & Gray, K (2018). *Second year review of Housing Advocacy Project 2017-2020,* Just Home Margaret River, Margaret River.

⁷ realestate.com (2021) *Rental properties and real estate in Margaret River, 1 March 2021* <u>www.realestate.com.au/rent/in-margaret+river,+wa+6285/list-1</u>



Due to the WA border closures during the pandemic, intrastate visitor numbers to the AMR region have been high, where 'demand is outstripping supply' of accommodation⁸. In April-June 2020, Just Home supported 33 community members to access accommodation in local hotels, but when the regional borders reopened and visitors returned to the region, hotel rooms were no longer available for community members experiencing homelessness. With the pending Easter long weekend on 2-5 April 2021 (traditionally a busy time for visitors to the AMR region), we anticipate that community members who become homeless will have very few affordable options for temporary accommodation. This is likely to result in more people living on the street, in their car or in overcrowded housing. Just Home's observations over several years is that living in insecure environments without amenities has significant impacts on an individual and their family's mental and physical health, making it very difficult to access or maintain employment.

- People who become homeless may temporarily move in with family or friends while trying to find accommodation. While this may provide a short-term reprieve for some families, it may cause tension and stress for the household members, especially if the house is overcrowded. We note that overcrowded housing is considered a form of homelessness. More people may be forced to stay in unsafe shelter such as sheds with harmful substances.
- People who become homeless may find temporary accommodation in a hotel or other shortstay accommodation. This will be very expensive, and availability of accommodation is likely to be limited if operators prefer providing accommodation to visitors rather than local people. Furthermore, as Just Home has witnessed over the past year, this form of accommodation is extremely sensitive to increased visitation, especially after lockdowns and on holidays.
- People who become homeless may leave the AMR region. This would mean that the AMR region will lose vital workers (especially in the hospitality and agricultural sectors) and families (especially children) will experience significant disruption. The loss of more workers from our region, particularly in tourism and agriculture sectors, will affect the viability of local businesses, the economic sustainability of our community, and the functioning of our volunteer-led community groups. If AMR workers leave the region to find accommodation, they will also likely be faced with low residential vacancy rates in other parts of Western Australia, including Perth, and they may experience difficulties finding a home elsewhere.
- People who become homeless may find a home. Many people have this hope, but the current vacancy rates suggest that this will not occur quickly for most people who find themselves homeless. Even if more rental houses become available after 28 March 2021, renting a home is also likely to become more unaffordable for low income families as rent prices increase as predicted.

We note that there is currently a residential housing construction boom in AMR, encouraged by the federal and state housing construction stimulus grants. However, these houses will not be constructed and available as accommodation immediately after the moratorium ends on 28 March 2021. In the future, the newly constructed houses may result in some more rental properties

⁸ Loney, G and Lynch, J (2020). 'Tourism operators in WA's already booming South West eager to welcome back interstate guests', *ABC Online*, www.abc.net.au/news/2020-12-02/bumper-tourism-in-wa-south-west-to-get-interstate-boost/12942572



becoming available in AMR, but this is not guaranteed and does not address the immediate need for housing.

4.3 Affordability of housing

The data indicates that the likelihood of rent increases is another key issue in the current housing crisis in AMR. Housing in the AMR region has been unaffordable for many years. The AMR Shire's *Affordable Housing Strategy*⁹ identified that median rent as a proportion of median income in AMR deems AMR as unaffordable as Melbourne, Australia's second-most unaffordable city. Realestate.com shows that the median rent price in Margaret River is \$400/week, among the highest in the South West; while the median income in Margaret River is one of the lowest in the South West region. The following table shows the regional variations in median rent and median income, based on current available figures¹⁰.

South West town	Median rent (February 2021, realestate.com)	Median income (2017-2018, ABS)	Housing expenditure as a proportion of income
Margaret River	\$400/week	\$41,393	50.2%
Busselton	\$370/week	\$42,820	44.9%
Manjimup	\$300/week	\$43,695	35.7%
Bunbury	\$350/week	\$49,828	36.5%

Table 6: Median rent and median income in towns in South West Australia

This table indicates that Margaret River has a lower median income than other South West towns of Busselton, Manjimup and Bunbury, but has a higher median rent than these towns. As such, a Margaret River resident earning the median income and paying the median rent would need to spend 50% of their income on housing, *well above* the threshold of housing affordability of spending 30% of income on housing.

When the WA tenancy laws that ban rent increases is lifted on 28 March 2021, it is highly anticipated that rent prices in AMR will significantly increase¹¹. Some community members are already raising their concerns with Just Home of higher rent prices when rental properties become available on the market, and many survey respondents reinforced this issue.

Increased rent prices will make it more difficult for people to access a rental property, particularly for people who are on a low income and receive income support. Due to the impacts of the COVID-19 pandemic on industries such as tourism, many AMR residents have accessed JobKeeper and

⁹ Shire of Augusta Margaret River (2015) *Affordable Housing Strategy,* AMR Shire, Margaret River.

¹⁰ Median rent data is available from current figures in <u>www.realestate.com</u> and median income data is provided by the Australian Bureau of Statistics Personal Income of Australia 2017-18: <u>https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/personal-income-australia/2011-12-2017-18#local-government-area-median-total-income</u> ¹¹ Propertyology (2021), 'Australia's biggest ever rental boom is here', *Propertyology*, available from https://www.propertyology.com.au/australias-biggest-ever-rental-boom-is-here/



JobSeeker during 2020. More than 50% of businesses in AMR received JobKeeper¹², and in April 2020, 723 AMR residents signed up for JobSeeker¹³ (unemployment benefits).

While some people have since transitioned into unsubsidised employment, it is still a concern that at the end of March 2021, JobKeeper will end and the coronavirus supplement to JobSeeker and other payments (including Youth Allowance) will also end, returning to very low rates of \$307 per week for people who are unemployed.

The confluence of the expiration of the ban on rental increases with the end of JobKeeper and the end of the higher rate of JobSeeker means that housing in AMR will be even more unaffordable. This puts more households and families at high risk of homelessness.

4.4 Wellbeing

The data suggests that the housing crisis has a significant impact on the social and emotional wellbeing and health of people who are in precarious and insecure housing situations. It is particularly concerning that children are experiencing these stressors, as this affects their development.

It is well understood that secure housing is necessary for a person's wellbeing, and data from Just Home's services since 2017 show that lack of housing and insecurity of housing affects a person's mental health. Just Home is very concerned that the current housing crisis will see an increase in people experiencing family and domestic violence, mental and physical health issues, and substance use. This is particularly troubling because AMR has a serious lack of services for mental health and family and domestic violence¹⁴.

Furthermore, as rent prices increase, we will likely see more households struggle to cover their living costs, which increased food and energy insecurity.

Higher rates of physical and mental illness due to increased homelessness and housing stress in AMR will require increased state and federal government expenditure. This reiterates the importance of early intervention and prevention of homelessness in the midst of the housing crisis.

 ¹² Mizen, R. (2020). 'Half of tourism towns' businesses on JobKeeper', *Australian Financial Review*, available from https://www.afr.com/politics/federal/half-of-tourism-towns-businesses-on-jobkeeper-20200722-p55efg
 ¹³ Hately, W. (2020). 'Job losses among the highest in the state', *Augusta Margaret River Times*, available from https://www.amrtimes.com.au/news/augusta-margaret-river-times/job-losses-among-the-highest-in-the-state-ng-b881559791z

¹⁴ Considine, R. et al. (2019) *Mental health and wellbeing in the Shire of Augusta Margaret River Final Report,* Lishman Health Foundation, Margaret River; Wood, C. (2019) *Health and community services access and mapping project,* GP Down South, Margaret River;



5 A CALL FOR ACTION

5.1 Proposed actions

The housing crisis in Augusta-Margaret River is a human rights issue. Our community is experiencing a disaster that requires an urgent, coordinated, resourced humanitarian response with appropriate, temporary shelter options that are inclusive of people in all their diversities and needs.

This response should be led by the state and local government in partnership with community stakeholders. Without an effective response, we will see increased homelessness in our community and some local workers will leave our community to find accommodation elsewhere. This will have enormous short and long-term social, economic and cultural impacts on the wellbeing of our community.

Based on the findings outlined in this report and our experiences in AMR, Just Home calls for the following actions to be undertaken¹⁵:

1. That the WA Government extends the moratorium on evictions and rental increases for a further 12-months.

An immediate response to the housing crisis is for the WA Government to extend the moratorium on evictions. While this will not protect all people affected by the housing crisis (such as people who must urgently find a new home because their rental has been sold), the moratorium extension will provide security for people who currently have a rental and their lease has expired, and are struggling to find an alternative home. Furthermore, the extension on the ban on rental increases will support vulnerable community members on low incomes who cannot afford high rental prices. This will help our community retain our local workers. An extension of 12-months will provide security while new private and public housing is constructed and for the impacts of the pandemic to (hopefully) settle.

2. That the housing crisis in Augusta-Margaret River is considered an emergency similar to a natural disaster, and a humanitarian response with emergency accommodation and support services is initiated by 29 March 2021 by relevant government authorities in partnership with local stakeholders.

Coordinated, affordable emergency accommodation is urgently required for local families, including local workers, who become homeless due to the housing crisis. If an emergency response is not provided, AMR will see an increase of community members sleeping on the street, in tents, in their car, in camping grounds, in overcrowded housing, or leaving the region. Responsible authorities must work with local stakeholders (including Just Home) to urgently design and implement a safe and effective emergency response in order to prevent further homelessness and retain workers in our region.

3. That the WA Government provides \$130,000 in funding to Just Home Margaret River Inc to increase our staffing levels by one full-time staff for 12-months to provide information,

¹⁵ These recommendations align with Shelter WA's Unlock Housing Plan¹⁵ and are specific to the Augusta Margaret River context. See Shelter WA (2021). *Unlock Housing*, available from: <u>https://www.unlockhousing.com.au/</u>



referrals, advocacy and support to the growing number of people experiencing or at risk of homelessness in Augusta-Margaret River.

Just Home provides a Housing Information and Referral Service for community members experiencing homelessness and housing stress, and is the only program of its kind based in our community. This program is currently funded by The Ian Potter Foundation and Lottery West with one full-time equivalent staff until 30 June 2021, after which it will continue at three days per week. The significant and growing homelessness and housing stress in our community indicates that an addition of one full-time staff is required to support community members to access information and referrals to navigate issues associated with their housing. As the only locally-led housing organisation in AMR, Just Home is the most appropriate organisation to provide this frontline service.

4. That the WA Government urgently constructs at least 200 new social and affordable housing dwellings in the Augusta-Margaret River region.

There are currently 112 public housing dwellings in AMR, and the WA Government has made negligible investment in social housing in AMR over the past decade, relative to need. The WA Government has committed to construct 2,600 new social homes across WA by 2030¹⁶; substantially less than the level of need identified by peak body Shelter WA of 18,000 new social homes by 2024¹⁷. The AMR Shire's *Affordable Housing Strategy* found that in 2015, 220 households in AMR earned less than the income threshold for public housing and may have occupied a public rental if available¹⁸. This figure will have increased due to local population expansion and the financial impacts of the pandemic.

Just Home's experience is that most AMR residents who would be eligible for social housing are not on the public housing waiting list. This is usually because Just Home clients are told by the Department of Communities that the wait for a public home is up to eight years, and clients do not believe that there is value in joining the waitlist as it doesn't resolve their immediate housing needs. Since 2017, Just Home has supported 22 people to join the public housing waitlist for Margaret River. We are informed that the Department of Communities plans to build four new 2-bedroom aged/dependent dwellings and refurbish five public housing properties in Margaret River, commencing in mid-2021. Although we welcome this commitment, it will not address the social housing needs of our community. Urgent, sustained, and significant investment in social housing is required to meet local needs and prevent homelessness for low income peoples. We also call for all levels of government must support and incentivise housing collectives and cooperatives, to promote sustainable and community-led housing.

5. That the Department of Housing urgently resolve the issue of 13 empty units in the Margaret River Baptistcare complex to provide affordable housing for aged people.

For several years, there have been a growing number of empty units at the Baptistcare aged residential complex in Margaret River, reported as 13 empty units in November 2019¹⁹. To our knowledge, a buy-out agreement between Department of Communities and BaptistCare has not yet

¹⁶ Department of Communities (2020). *WA Housing Strategy 2020-2030,* Government of Western Australia, Perth. <u>https://www.communities.wa.gov.au/media/2846/wa-housing-strategy-2020-2030.pdf</u>

¹⁷ Shelter WA (2021). Unlock Housing, available from: <u>https://www.unlockhousing.com.au/</u>

¹⁸ Shire of Augusta Margaret River (2015). *Affordable housing strategy,* Shire of AMR, Margaret River.

¹⁹ Hately, W. (2019). 'Scandal no link to units saga', *Augusta Margaret River Times*, www.amrtimes.com.au/news/augustamargaret-river-times/scandal-no-link-to-units-saga-ng-b881393627z



been resolved, and these units sit empty while the AMR housing crisis becomes more severe. This issue must be resolved urgently to provide more affordable housing for vulnerable older people.

6. That the WA Government vests the vacant WaterCorp site on Terry Road, Margaret River to the Shire of Augusta Margaret River for the purposes of social and affordable housing development.

For several years, Just Home has been working with the Shire of Augusta Margaret River to identify possible land parcels for the development of social and affordable housing. One identified site is the vacant state government land formerly held by WaterCorp on Terry Road, Margaret River. A study undertaken by Arup with Just Home in 2019 found that the Terry Road site would be appropriate for an affordable housing development with multiple forms of housing across various income levels²⁰.

There have been ongoing discussions between the local government and Department of Planning, Lands and Heritage for the vesting of this site to the Shire for affordable housing purposes. We were recently informed that DPLH will not be progressing with transferring the vesting of the land to the Shire. This is extremely disappointing, particularly because there is no other comparable site close to Margaret River town that could be developed for low-cost housing. We call on the WA Government to reconsider its position and make the land available for social and affordable housing development.

7. That the WA government amends the Caravan and Camping Regulations to allow for selfcontained mobile dwellings to be permitted on private property for longer than three out of 28 days.

Current WA government regulations prohibit a self-contained mobile dwelling such as a caravan on private property for longer than three out of 28 days. This means that affordable housing options, such as caravans and tiny homes, are not viable. In the context of the housing crisis, these regulations must be relaxed to allow for alternative and affordable shelter.

8. That the WA Government legislates for a minimum of 20 per cent social and affordable homes in large-scale private residential developments.

The WA Government's recent WA Housing Strategy 2020-2030 commits to a minimum of 20% social and affordable homes in Government residential developments. Just Home strongly believes that this minimum requirement should also be applied to private sector housing developments. A 20% allocation in public and private developments in AMR would substantially increase the amount of much-needed social and affordable housing stock in our community.

9. That the rates of JobSeeker and Rent Assistance are increased to reflect real costs of living.

On 1 April, the new rate of JobSeeker and Youth Allowance will be \$615.70/fortnight for a single person, and the maximum rate of rent assistance is \$139.60; a total of \$755.30/fortnight. The relative poverty line is \$914/fortnight (50% of minimum wage) for a single person²¹. With a median rental price of \$340/week for a unit in Margaret River, it is impossible for a single person receiving JobSeeker or Youth Allowance to cover their living costs and continue living in our community. The

²⁰ Arup (2019). Addressing the Margaret River housing crisis, Arup, Fortitude Valley.

²¹ Australian Council of Social Services (2020). *Poverty in Australia 2020,* ACOSS and University of New South Wales, Strawberry Hills. <u>povertyandinequality.acoss.org.au/wp-content/uploads/2020/02/Poverty-in-Australia-2020 Part-</u> <u>1 Overview.pdf</u>



rates of JobSeeker and other income support payments and Rent Assistance must be raised to reflect real living costs.

5.2 Conclusion

It is unjust to expect people who become homeless in AMR due to the lack of available and affordable housing in the housing crisis to simply move away. This is the definition of gentrification, and it is unrealistic in the current precarious climate for housing and employment across the state. In Just Home's experience, most people who experience homelessness in AMR have lived in our community for at least a decade. They generally have family here (including children), and their roots are here; they work locally, often in low-paid casual work; and they actively participate in our community.

During the pandemic, we have seen local business owners and local workers receive JobSeeker for the first time in their lives – an unprecedented experience of poverty that was completely out of their control. If urgent solutions are not found, the current housing crisis will see more local families and workers in AMR experience homelessness for the first time in their lives. This will have an enormous impact on mental and physical health, child wellbeing, and the functioning of our local economy and community.

A strong community is diverse, inclusive and compassionate, where no one is left behind. Just Home calls on all levels of government to work with the AMR community to develop urgent and long-term solutions to address the housing crisis and ensure that everyone has shelter.