

Australia: Community services minister denounces public housing tenants

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New South Wales Family and Community Services Minister Pru Goward this month vilified public housing tenants in Bidwill, accusing residents of the poverty-stricken western Sydney suburb of substance abuse, theft and property vandalism.

“Bidwill needs to choose to change. If you are going to have the privilege of public housing then we need to see you commit to changing your life,” she declared. “We need your kids to go to school not hanging around the streets, we need your drug and alcohol problems to be addressed so that you don’t need to rob the local supermarket.”

Contrary to Goward’s malicious allegations, unemployment, poverty and the run-down state of public housing and other basic facilities in Bidwill are not caused by its residents but are the result of a deliberate social-wrecking operation by consecutive federal and state governments, Liberal and Labor alike. Her insistence that public housing is a “privilege,” echoes the interests of those she serves—finance capital and the housing, construction, and real estate industries—who want public housing privatised or destroyed to bolster their own profits.

Over the past decade New South Wales (NSW) state governments have systematically slashed repair and maintenance funding and privatised over 7,000 public housing properties. Last year, the Liberal government cut \$37 million from the housing maintenance budget. The end result has meant that tenants are forced to live in intolerable conditions. Many properties are so run down that they cannot be repaired. The government then uses this as a pretext for selling them off to private investors and property developers who reap substantial profits.

Bidwill is one the most disadvantaged working-class areas in Sydney with more than half of the 2,500 public housing tenants in the suburb dependent on the below-poverty-level welfare payments.

As one resident told ABC-TV: “People don’t want to live in Bidwill. There’s a lot of [vacant] homes here so it’s the first place they [NSW Housing] put you. It’s either take it or wait, and a lot of people don’t have a choice because they want a roof over their heads.”

“If you’re from around here, they think you’re uncivilised or a trouble-maker or a thief. That’s why we get no jobs around here,” she said.

The official unemployment rate in Bidwill is 20.3 percent, almost four times the national average. Of those who have jobs, 20 percent are employed for less than 25 hours per week. There is just one bus route out of Bidwill and only 25 percent of the suburb can afford a car, making it almost impossible for those searching for work. As for Goward’s allegation that residents “rob the local supermarket,” the suburb is so denuded of basic services that it does not even have a supermarket.

Goward’s attack on Bidwill residents is part of a broader onslaught on public housing tenants and the state-owned housing sector as a whole.

Last year the NSW Liberal government foisted a \$30 bed tax on renters it claims have “unoccupied rooms” and in some areas imposed “market rent” increases of up to \$100 per week (see: “Australia: ‘Market rents’ imposed on public housing tenants”).

Now the state government is claiming that outstanding rent payments are crippling its housing budget, allegations reported uncritically and embellished by the media. In recent weeks, Channel Nine’s “A Current Affair” has been running sensationalist stories stereotyping public housing residents as vandals and rent payment delinquents.

Allegations about rental arrears allegations, however, are wild exaggerations. In 2012–2013 only one percent of the state’s 110,000 public housing tenants were behind in their rent. The total amount outstanding is just \$7 million, according to the most recent Productivity Commission

report, a pittance in Sydney where the median price of a home is currently \$654,000. The so-called unpaid rent crisis, in fact, is a pretext for planned measures that will further undermine the rights of public housing tenants and welfare recipients.

As Goward was denouncing Bidwill residents for vandalism and criminal behaviour she also called on the federal Liberal government to expand a joint state and federal “income management” trial to cover all NSW public housing tenants.

“Income management,” which dictates how welfare recipients spend their income, was first imposed on Aborigines in the Northern Territory during the Howard government’s infamous “intervention” in 2007. The new welfare regime was extended by the Rudd and Gillard Labor governments and is being trialled in Bankstown, in Sydney’s southwest, and four other socially-depressed locations around Australia.

Under the current “trials,” anyone assessed by Centrelink to be “vulnerable to financial crisis” can have up to 50 percent of their payments compulsorily quarantined. The quarantined portion can only be used for government defined “necessities.” Parents and legal guardians referred to Centrelink by child protection authorities have 70 percent of their income quarantined.

In 2013 the Gillard government attempted to introduce a “Housing Payment Deduction Scheme” bill. While it lapsed because parliament was prorogued for the federal election, the bill sought to grant all state housing authorities the power to take up to 35 percent of tenants’ welfare payments if they fell four weeks into rent arrears. Welfare payments could also be used to pay outstanding utilities or building maintenance accounts.

Goward is demanding that similar legislation be pushed through the federal parliament and applied to all NSW public housing tenants who have fallen behind in their rent. And like the government justifications for the Northern Territory intervention—that the anti-democratic measures were “necessary” to protect Aboriginal children from abuse—Goward insists that “income management” will help tenants “conquer their debts, secure their tenancy, and avoid homelessness.”

This is a patent lie. The compulsory seizure of rental arrears will only worsen the precarious financial situation confronting public housing tenants.

The majority of Bidwill’s public housing residents are single parent families, most of them hard hit by the Gillard government’s abolition of the Parenting Payment benefit. Last year about 90,000 single parents nationally

were moved onto Newstart unemployment benefits, slashing their income on average by \$140 per week or in some cases up to \$200.

A recent survey revealed that just under half of former Parenting Payment recipients said that their children’s nutrition levels had declined, 88 percent were struggling to pay for weekly groceries and 51 percent had incurred credit card or bank debt as a result of the cuts.

Government claims that it wants to reduce homelessness are another fraud. The ongoing sale of state-housing properties is decreasing affordable accommodation in Sydney, one of the world’s most expensive cities, and driving up homelessness to record levels. According to current figures, there are over 28,000 homeless in the state, the overwhelming majority in Sydney, and over 110,000 people are on the waiting list for public housing.

One of those who has benefitted from this social-wrecking operation is property developer Nathan Birch, hailed by the media as “Western Sydney’s Donald Trump.” Birch, 28, became a multi-millionaire buying run-down state-owned houses and flats, making rudimentary repairs, and then renting or re-selling them for windfall profits. “When I see a burnt out housing commission home,” he declared on a recent television program, “I see money.”

Goward has recently declared that there was no “river of gold” to fund state-owned housing. There are many “rivers of gold,” however, flowing into the coffers of Australia’s wealthy elite involved in the lucrative business of property development and speculation, fuelled in part by the dismantling of public housing across the country.

The authors also recommend:

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