

## POLITICS IN THE PUB

Blackburn's Family Hotel - Saturday 28 June at 2.30pm.

15 Parke St. Katoomba

## HOUSING IN CRISIS

— ADMISSION FREE —

***“As more and more young people face being locked out of the housing market by soaring prices, it's time to acknowledge the obvious. The roaring popularity of the property investment - aided by generous tax breaks - is turning us into a nation of landlords.”***

Clancy Yeates, SMH 18 November 2013

***“Australia now has 100,000 people who are homeless...a significant proportion of these are young Australians, under 26 ... many find it mind boggling that in a country as wealthy as Australia homelessness exists at all”***

Simon Nettle SMH 14 June 2014

***“Homelessness worsened in NSW by 20% between 2006 and 2011”***

Kirsty Needham Sun Herald 15 June 2014

### PAULA RIX

"Today there seems to be an increasing chasm between the winners and losers in accessible, affordable, safe and secure housing," says Paula Rix of Shelter NSW.

"It's my hope that an awareness of the economic, political and policy drivers at play in the housing system will put us in a better position to consider solutions to address the housing crisis"

Ms Rix, one of the main speakers, is senior policy officer - education and outreach at Shelter NSW, a peak organisation which works for a fair and just housing system. She has a background in working in housing related social justice and advocacy

organisations, including the Builders Labourers Federation in the heyday of the Green Bans.

She'll be talking about how the Australian housing system works, exploring its myths and realities, as well as the major drivers of the housing crisis, with a focus on housing stress, homelessness and the quest for affordable housing. She'll also discuss some of the recent changes that have taken place in the housing system.

### BARNEY GARDNER

Barney Gardner will report on how he's facing eviction by the state government from his home in the Millers Point - the Sydney suburb where he's lived for 65 years

"Now this working class area is being gentrified, the government deems I am not good enough to live here anymore. This area has been public housing for over 100 years - no government has the right to evict the people who protected and nurtured the heritage and culture of Millers Point - the oldest suburb in Australia's first European settlement."

### GARETH HOUGHTON

Gareth Houghton, until recently a Blue Mountains youth worker, will



speak about how the housing crisis effects young people in the Blue Mountains and his experience regarding the greatest barriers young people face in obtaining and sustaining tenancies.

Youth under and unemployment, deficiencies in funding for mental health services and discrimination are just a few of these issues.

Discussions will also examine rental affordability and the competitive nature of securing rental accommodation, exacerbated in the Blue Mountains after the 2013 bush fires saw the destruction of over 200 homes, pushing many people into rental accommodation and raising median rents.

In light of higher rental prices and an increasingly casualised work force, as well as house prices rising exponentially in comparison to average wages - is it possible for younger people to get their 'foot in the door' to the property market? Has the cessation of the first home buyers scheme for existing properties and the rise in property acquisition by investors cut young people and families out the market for home ownership?

## IMF HOUSING REPORT

**The International Monetary Fund has found Australia has the third highest house price-to-income ratio in the world.**

The IMF's Global Housing Watch says global house prices have risen consistently for nearly the past two years.

The fund says prices are "well above the historical averages" in developed countries including Belgium, Canada, Australia, Norway and Sweden.

In addition, the IMF found 14 out of 24 developed economies examined still have above-average house price-to-income ratios, even after the dent in home values in many countries caused by the global financial crisis.

While a recovery in housing markets around the world is welcome, the IMF says it is critical to avoid

another unsustainable boom in house prices like the one that preceded the GFC.

"In fact, our research indicates that boom-bust patterns in house prices preceded more than two-thirds of the recent 50 systemic banking crises," IMF deputy managing director Min Zhu said in a blog post.

## MINIMUM WAGE AND HOUSING

25 March, 2014

**The ACTU calls for a fair and adequate raise to the minimum wage to combat rising inequality as housing price increases leave minimum wage earners without any hope of ever owning a home.**

The ACTU will lodge a submission to the Fair Work Commission(FWC) on Friday March 28 calling for a wage increase for Australia's lowest paid including cleaners, retail and hospitality staff, child care workers, farm labourers, and some factory workers.

ACTU Secretary, Dave Oliver, said the Australian housing market had ballooned, with average house prices increasing by 250 per cent in the past 20 years making housing the biggest affordability dilemma for most workers.

However for minimum wage earners it was now all but impossible to buy a home.

"For those on a low wage, home ownership is a now pipedream. The minimum wage has less than doubled in the past 20 years compared to a 250 per cent increase in housing prices," he said.

"Someone on a minimum wage of \$622 per week has enough to cover their basic costs and that's about it. These workers tell us it's impossible to save up a deposit, let alone afford the weekly repayments."

"The only way low income earners can afford to buy a home is to work multiple jobs but if all these jobs are low income then it still remains extremely tough.

"Working multiple jobs to afford the basics is moving us towards the 'working poor' scenario they have in the US – something Australians have made it very clear they don't want."

"Many minimum wage earners have been working all their lives caring for older Australians in aged or community care, they work farms, they clean schools and hospitals or look after young children in childcare.

"These are tough and important jobs and yet saving up for something as integral as a home is nearly impossible even after years of work.

Mr Oliver said the annual minimum wage review was the only chance for a pay increase for 1.5 million of the lowest paid workers.

"Every year we make a case for these workers. We will ask the commission to ignore false claims about a wages blow out or outdated arguments about minimum wage increases costing jobs. These arguments have been refuted by leading economists.

"The best outcome will be one that stops the gap growing between low paid workers and the rest of the community."

## ACOSS - 2013 HOUSING REPORT

The largest survey of Australia's community services sector revealed that frontline agencies are under enormous strain and unable to meet the growing demand for help, according to the Australian Council of Social Service.

The annual ACOSS survey of over 500 agencies shows that housing availability and affordability is the greatest unmet need for clients of welfare services, followed by community-based care and treatment for mental illness and emergency relief.

"The clear message from this year's survey is that Australia's housing affordability crisis is having a devastating impact, especially for people on the lowest incomes who are falling deeper into poverty," said ACOSS Deputy CEO, Dr Tessa Boyd-Caine.

"This is borne out by the fact that across the board, all services overwhelmingly nominated this as the greatest need of clients coming to them for help. Nearly 70% of housing and homeless services themselves reported that they struggled to meet demand, with a 5% increase in the number of people turned away.

"One of the striking features was that almost 80% of people presenting to the housing and homeless services that participated in the survey were wholly reliant on income support payments. They were also highly represented in numbers seeking help as reported by emergency relief providers (75%) and mental health services (61%). This is extremely alarming and further evidence of the damage being caused by keeping allowance payments such as Newstart as low as \$35 a day."

### RALLY TO BUST THE BUDGET

**Sunday 6 July  
1 pm Sydney Town Hall**

**The Abbott Government's budget is full of poison pills, including: new GP co-payments, \$80 billion in cuts to health and education, cuts to pensioner benefits, increases in uni fees, and a new \$2.4 billion petrol tax - just to name a few.**

Think that's bad? They're just getting started. Adding insult to injury, Abbott's Commission of Audit is keen to hit hard-working Aussies where it hurts, recommending cuts to the minimum wage, cuts to penalty rates and further reductions to our rights at work.

Australia may be the lucky country, but we can't leave our future to chance - it's time to stand up and fight.



### STATE OF REGIONS REPORT

The Australian Local Government Association's latest State of the Regions report, produced by National Economics, examines how the fortunes of metropolitan areas relate to the mining boom between 2007 and 2013.

It notes the boom favoured construction activity, particularly in Perth, while Melbourne and Adelaide – the cities the report said were worst-affected by the downsides of the boom – are only gradually responding with infrastructure investment.

**It finds Australia as a whole has serious deficiencies in its infrastructure capital stock and there is scope for governments to raise investment levels, especially in transport and communications.**

It proposed an additional \$346 billion in infrastructure investment effort over the next 12 years.

**"The most promising investment opportunities in Australia at present, assessed from a long-run point of view, lie not in the private sector but the public," the report said.**

In an international comparison, the report found Australia's private capital investment in capital stock was pulling its weight whilst public investment as a ratio of GDP was the fourth lowest of OECD countries in 2008, at 39 per cent.

"Over the next ten years, a reasonable aim would be to invest to raise infrastructure stocks in the deficit regions so that they approach those of the best practice regions," it said.

It recommended the investment would focus on New South Wales and Victoria's capital cities and other regions where the deficit is deterring economic growth.

**Action to address unemployment**

The report also calls for substantive action on youth unemployment, noting that in mining regions, outcomes for young people are patchy, with significant levels of youth disengagement from education and employment.

Far north Queensland, Queensland's Wide Bay Burnett region, Lingiari in the Northern Territory and the New South Wales mid-north coast were among those with the highest number of people aged between 20 and 24 not working and not studying.

"The worst performing regions have relatively poor educational facilities with poor access to tertiary education combined with businesses in the region that are reluctant to provide entry level jobs," the report said.

The report also noted that the abrupt closure of the local car industry is a "bad idea".

"Though one hopes that the skilled workers will be re-employed, the precedent of the closure of the textile, clothing and footwear industries during the 1980s is not very encouraging," it said.

It explained that equipment from closed factories is simply scrapped, wasting resources, and also noted Australia has a tendency to spend more on imports than it earns from exports.

**JOIN BMUC** Blue Mountains residents can become BMUC members if they support our Aims and Objects. Membership is open to union members, to retired unionists and to those who are unemployed or unwaged.

**Membership Fees**  
Waged \$15.00 pa  
Unwaged \$5.00 pa

**BMUC Secretary**  
52 Great Western Highway  
Mount Victoria  
NSW 2786  
Phone 02 4787 1401

**BUDGET IS CLASS WAR**

Young job seekers forced to wait six months for unemployment benefits will be required to apply for 40 jobs a month, document their efforts to find work and meet regularly with an employment service provider, despite not receiving any payments.

Under proposals announced in the budget, job seekers aged under 30 will be ineligible for payments for six months after applying for benefits.

Despite not receiving any money, job seekers will be required to meet the activity requirements for unemployment benefits throughout this period. If they fail to do so, their waiting period will be extended by four weeks. Job seekers will be required to attend monthly appointments with an employment service provider, and show evidence, such as a job search diary, that they have looked for 40 jobs that month.

Greens Senator Rachel Siewert said making people live for six months with no income support would make it more difficult for job seekers to meet their obligations.

"The government hasn't thought through how this cruel measure will be implemented, how compliance will work or how people will live for six months, let alone how they'll meet any obligations within that time," she said.

"People don't want to be stuck on income support. People want to be working, but the government's approach is making things much tougher."

Labor has vowed to oppose the changes to unemployment benefits, which the government estimates will provide savings of \$1.2 billion over four years.

In his budget reply speech, Bill Shorten described the changes as

"perhaps the single most heartless measure in this brutal budget", which would "create a forgotten generation workforce".

condemn young people to a "potentially endless cycle of poverty when they should be getting a hand to find a job".

**BUST THE BUDGET - MELBOURNE**

On 12 June up to 20,000 union members have marched through central Melbourne to protest against Federal Government budget cuts.

Union members carrying flags and banners gathered at Trades Hall to vent their anger about what they say are savage cuts.

Then they marched through the CBD to the Victorian Parliament buildings where they were met by dozens of mounted and uniformed police officers.

Cuts to government benefits and dramatic changes to higher education and health funding were announced in the budget last month.

Greens MP Adam Bandt said workers had a right to be angry.

"Protests like this are going to continue until this budget is off the table, and until this Government is out of office," he said.

The protest was organised by Trades Hall Council, with involvement from the Construction, Forestry, Mining and Energy Union (CFMEU), United Voice and other high-profile unions.

"I think it's unjust and it needs to change and that's why we're here today," said Firefighter Steve Mundy, who took part in the protest, adding that the Federal Government was not doing the right thing by the Australian people.

"I think the cuts to working class Australians are unfair and I think it's unjust and it needs to change and that's why we're here today," he said.

Felice Jacka maintained the Federal Government did not have a mandate.

"I feel that this Government got in by lying, blatant bare-faced lying," she

said. "They said one thing and they've done something else."

Anthony Stafford said the budget cuts were not fair.

"The proposals that have been put forward by the Abbott Government go against everything that Australians stand for," he said.

**STOP THE SELL OFF**

The trade union movement now moves to a full time campaign footing in its bid to fight the privatisation of the State's electricity poles and wires.

Unions NSW Secretary, Mark Lennon said the union movement would now mobilise to fight the sell off and the price hikes and job losses it will bring.

"The Premier can give all the assurances he likes, but the public has seen the real world experience of privatisation – fewer jobs and higher prices.

"The private sector can only squeeze more from an asset by cutting costs or raising prices. Either way the public loses out.

"Selling off a natural monopoly is never a good idea. The community understands this and that's why they are inherently opposed to this sale.

"We have seen what happens with partial privatisations before, in the case of Telstra. It leads to higher prices and an eventual full privatisation."

