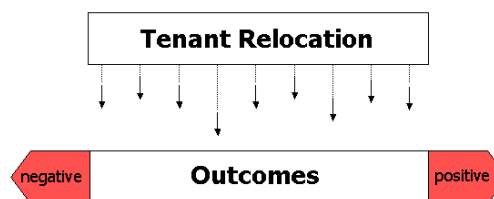# Chapter 2

A Context for the Provision of Housing in Australia

2. Context for the Provision of Housing in Australia

The previous chapter introduced the problem of public tenant relocation and its context: a public housing sector under stress. This stress is largely caused by a mismatch, not the traditional spatial mismatch of employment and housing (Kain, 1968, 1992); or the more recent mismatch of "under utilisation" between housing size and household size, (Batten, 1999), but an evolving Australian mismatch between housing provision and welfare-related need. The Government of South Australia and the South Australian Housing Trust are increasingly using urban regeneration as a solution to their mismatch problem. From an economic perspective, regeneration is able to free capital from the aging infrastructure that holds it, enabling it to be used, in the short term, to alleviate the problems of under-funding and increasing welfare responsibility among housing authorities. Participation in urban regeneration has many other effects for housing authorities and their tenants, not only are fewer tenants able to be housed as the pool of dwellings decreases, but tenants must be relocated from dwellings in urban regeneration areas to vacant dwellings in other parts of the public housing stock. Tenant relocation, as with other types of residential mobility, has many predictable outcomes. These outcomes are influenced by the process of relocation, the characteristics of the mover, and exterior circumstances, such as unemployment rates, or any number of government policy objectives. Regardless of these influences, outcomes can be improved. The objective of this thesis is to focus on improving individual outcomes of tenant relocation. This is shown in Figure 2.1 as the downward arrows between individual tenant relocations and their relocation outcomes, the figure symbolises the opportunity to lead relocation towards more positive conclusions.

Figure 2.1: Symbolic Thesis Focus

Before examining the problem of public housing tenant relocation, it is essential to present a context for the provision of public housing in Australia. The previous chapter has provided an historical and policy background, this chapter continues the theme with an investigation of the human rights obligations Australia has, and the measures for meeting these rights in regard to housing. While the interpretation of human rights obligations by the Australian government tends to change over time, and vary slightly, dependent on the dominant political philosophy, this chapter presents the framework for interpreting human rights obligations that will be used in this thesis. This framework proposes that housing is a right of all Australians. Within this framework, a basis is proposed for adequate housing provision and a measure of housing needs satisfaction. The framework has three basic assumptions:

- Government is compelled both by justice and humanitarian obligation, as well as United Nations treaty, to provide access to adequate housing for all citizens.

- Individual wellbeing should be the goal outcome in the provision of human rights.

- Residential Satisfaction is the most appropriate measure of whether housing needs have been met.

2.1. A Social Justice Framework

This section will introduce the characteristics of the social justice framework that will be applied in the thesis, and the principles that define the distribution of benefits and burdens within the framework. A liberal democratic framework of social justice requires that in a just society the "benefits and burdens of social cooperation" should be distributed fairly (Rawls, 1971, p.4). The fair distribution of benefits and burdens is grounded in the distributive principle of need (after Harvey, 1973; Runciman, 1966), and the outcome of redistribution should be improved levels of wellbeing. This social justice framework also implies that each member of the community has basic needs and rights that the government is obliged to fulfil.

Social justice is, in essence, an approach to the fair re-distribution of social values. A belief in social justice, regardless of the principles used for re-distribution

(for example, merit, needs, inherited rights), is a belief that individuals do not have equal advantage, and that natural outcomes do not necessarily reflect deserved outcomes. Social justice rests on the basic belief that "society is a cooperative venture for mutual advantage" (Rawls, 1971, p.4), where people are "dependent on one another for the fulfilment of their needs and potential" (Pierson and Castles, 2000, p. 62). A just society is not one where everything is necessarily good, but it is one that follows a pre-determined set of principles that can be applied to the actions of that society to resolve 'conflicting claims' (Harvey, 1973; Burke, 1981) on benefits fairly. The principles of social justice are a basis for assigning rights and duties in the basic institutions of society and define the appropriate distribution of the benefits and burdens of social cooperation (Rawls, 1971, p. 4). A just distribution means that there must be 'fair equality of opportunity' to attain social benefits and burdens. Harvey (1973, p.100) surveys eight possible principles of re-distribution, these are:

- Inherent Equality, meaning that each individual has equal rights to all social values, regardless of talent or need or contribution.

- Supply/Demand Value of Services, individuals in control of scarcer resources should receive more return.

- Need, individuals have the right to receive equal benefit, therefore those in higher need should receive more.

- Inherited Rights, individuals can inherit the benefits and burdens of previous generations.

- Merit, individuals who have taken higher risks and increased effort have greater claims than those who have not.

- Contribution to Common Good, individuals whose activities benefit most people, have a higher claim than those whose activities benefit less.

- Actual Productive Contribution, individuals whose output is higher have higher claim on benefits.

- Efforts and Sacrifices, those who make the most effort or sacrifice the most should have a higher claim.

A just society can be realistically based upon any of these principles, as long as they are selected independent from values or potential personal benefit. What this means is that justice is served when the distribution is unbiased by individual gain,

when the principles are selected to truly benefit the greatest number in society, rather than certain individuals within it. When considered from behind this 'veil of ignorance', one distributive principle is repeatedly acknowledged as central to a just society, that is the principle of need (Harvey, 1973; Burke, 1981; Smith, 2000; Miller, 1976; Smith, 1994). Distribution on the basis of need assumes that all individuals require an equal amount of benefits and burdens, and that it is society's responsibility to even out the distribution.

Human needs are external, essential elements that contribute to an adequate life. Needs are conceived on two levels, with universal, basic needs as primary, and "intermediate needs" (Gough, 1994) supporting them. Basic needs are regarded as essentially physical, core to human survival, and when they are not met, individuals are at risk of physical harm. The human needs for housing, health, education, and food are widely viewed as basic (United Nations, 1948; Drakakis-Smith, 1997, p 797). Intermediate needs generally incorporate non-physical needs, such as for security (Kekes, 1994, p. 49), the "opportunities to engage in social participation"(Gough, 1994, p. 28), the "protection from disease" (Jackson and Marks, 1999, p. 425), and the desire for "neighbourhood amenity" (Harvey, 1973, p. 102). Basic human needs necessarily emerge from our humanness, and we have a responsibility as a society to provide them to all. It is not possible to live an adequate life without a basic level of food, health, housing and education, and "it is almost universally accepted that if a need – as opposed to a wish – is considered 'basic', then this legitimises a public responsibility for the satisfaction of those needs" (Ytrehus, 2001, p. 166).

There is widespread agreement within the literature that housing is a basic human need (Drakakis-Smith, 1997; United Nations, 1996; Leckie, 2000; Burke, 1981; Smith, 1973). Fulfilment of the need for housing is especially important because there is a close relationship between the fulfilment of housing needs, and the promotion of other need fulfilment, such as good physical and mental health (Thomson *et al.*, 2001; Dunn, 2000; Kearns *et al.*, 2000; Oldman and Beresford, 2000; Phibbs, 2000; Smith, 1973), or educational outcomes (Phibbs, 2000; Marciniak, 1996). In addition to the importance of the dwelling itself, the 'non-shelter' elements of housing are "influential

on the quality of life and on social behaviour" (Smith, 1973) of individuals and communities. This basic need for housing is universal and therefore, within a social justice framework, its fulfilment must be regarded as a right.

2.2. The Right to Wellbeing

"Wellbeing is the Currency of Justice" (Arneson, 2000)

The United Nations Universal Declaration of Human Rights (United Nations, 1948), which Australia along with 57 other member states is signatory to, lists the basic human rights of civil and political liberties, socio-economic rights, and environmental rights. The declaration states that, "everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care and necessary social services …" (United Nations, 1948, Universal Declaration of Human Rights, Article 25). The principle aim of the Universal Declaration of Human Rights is to promote the attainment of health and wellbeing for all individuals. That is, the just outcome of a life adequately lived is the attainment of health and wellbeing (United Nations, 1948; Jackson and Marks, 1999). Health is a <u>component</u> of wellbeing (Kearns *et al.*, 2000; Paim, 1995; Ormel *et al.*, 1997). Wellbeing is the outcome of a life lived justly and that wellbeing includes health. This study is grounded on this United Nations aim, that wellbeing is the suitable outcome of human rights fulfilled.

2.2.1. Wellbeing

Wellbeing is a state of happiness with the conditions of existence, where the individual's needs are satisfied (Knox, 1975). It is synonymous with the happiness, life satisfaction (Veenhoven, 1991; ABS, 2001, cat no. 4160.0) or 'quality of life' (Smith, 1973) of individuals or populations. Psychologists, philosophers, economists, and geographers have investigated wellbeing, as a subjective and objective phenomenon. It has been conceived and used differently by each. Smith (1973) was an early important geographical contributor to the debate. His work followed that of Harvey (1973),

discussed above. Smith's description of social wellbeing is aimed at explaining the wellbeing of groups within society and is focussed on providing measurable indicators of wellbeing. Although this thesis is concerned with the wellbeing of individuals, Smith's work is nevertheless a most important contribution showing the breadth and character of the concept of wellbeing. Smith's criteria of social wellbeing are shown in table 2.1.

Table 2.1 Smith's Criteria of Social Wellbeing

Income, wealth & employment	
	Income and wealth
	Employment status
	Income supplements
The living environment	
	Housing
	The neighbourhood
	The physical
Health	
	Physical health
	Mental health
Education	
	Achievement
	Duration and quality
Social order	
	Personal pathologies
	Family breakdown
	Crime and delinquency
	Public order and safety
Social belonging	
	Democratic participation
	Criminal justice
	Segregation
Recreation and leisure	
	Recreation facilities
	Culture and the arts
	Leisure available

Source: Smith, 1973, p. 70

2.3. The Promotion of Wellbeing through Housing Rights

"The ability of a population to choose where and how to live has been an important feature of democratic society" (Maher, 1994, p. 185)

The rights preserved within the United Nations Declaration of Human Rights are considered minimum to allow wellbeing. "Adequate housing is enshrined as a fundamental element of the right to an adequate standard of living and as a basic human right" (UNCHS, 2001, p.4). Further than the mere provision of shelter, The United Nations Committee on Social, Economic, and Cultural Rights (UNHCS) also advises that the right to housing is to be interpreted not merely as "having a roof over one's head… rather it should be seen as the right to live somewhere in security, peace and dignity…[with] legal security of tenure including legal protection against forced evictions; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility for disadvantaged groups; location, and; cultural adequacy" (UNCHS, 2001, p.4, emphasis added by author). This is an important definition of what the right to housing actually means, namely, that it should include security, accessibility, affordability and appropriateness.

As well as being signatory to the United Nations Declaration of Human Rights, Australia as a community seeks, at least at the level of intention, to provide a standard of living that promotes wellbeing through housing and non-housing rights. The Australian Human Rights and Equal Opportunity Commission states that all Australians have "a fundamental right to an adequate place to live in peace, dignity and security. This right requires governments to endeavour by all appropriate means to ensure everyone has access to housing resources adequate for health, wellbeing and security, consistent with other human rights" (Human Rights and Equal Opportunity Commission, 1997, p. 3). The Australian Government also supports the right to adequate housing in their Social Justice Strategy[4] and the National Action Plan on Human Rights (Government of Australia, 1994) where "all Australians should have

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[4] Currently there is no published national social justice strategy document, though a strategy is still referred to in current government publications (for example, in the National Action Plan on Human Rights, Government of Australia, 1994; 1996-7)

access to affordable, adequate and appropriate housing" (p. 25). This sentiment is repeated (though diluted) in the most recent Commonwealth State Housing Agreement (1999a), which binds the Commonwealth and State Governments to providing "appropriate, affordable, and secure housing assistance" (Government of Australia, 1999a, p. 3) for those most in need, until the year 2003.

The preceding argument has established that within a social justice framework the benefits and burdens of social cooperation should be re-distributed fairly by government. A central principle for that fair re-distribution is on the basis of need. Housing has been established as a universal, basic need, therefore, it is just that government provides access to appropriate housing for all individuals. Access to appropriate housing is accepted by the United Nations, and the Government of Australia as a basic right for all citizens; therefore, Government is compelled both by justice and humanitarian obligation to provide adequate housing to promote the health and wellbeing of all.

2.4. Basic Housing Needs

The principle of housing rights in Australia is well accepted, but their precise meaning and the housing needs that they represent, is unclear (Leckie, 1992, p. 71; Fordham *et al.*, 1998). Leckie (1992) calls for these needs to be clarified, for five important reasons:

- States need to be made fully aware of their obligations to individuals;

- Individuals and their representative organisations require that needs be more fully articulated so that they are able to lobby against shortfalls;

- It needs to be made clearer when states are not meeting their obligations;

- Housing need obligations should be articulated so that they can be more effectively incorporated into legislation and policy; and finally,

- A process of need definition will allow public participation in the establishment of basic obligations, meaning that housing obligations better reflect the actual needs of individuals.

This section seeks to establish the nature of the Australian government's obligation to meeting housing needs. Housing needs are external, essential "universal" (Ytrehus, 2001, p. 166) residential elements that contribute to an adequate life. "People have housing needs if they cannot afford their current housing; or their current housing is not appropriate and adequate" (Karmel, 1998, p. 1). The non-fulfilment of individual housing needs contributes to the well-documented state of housing need (Fordham et al., 1998; Karmel, 1998). There is significant overlap between housing needs and other basic human needs. This means that housing needs will reflect more than a simple need for shelter, but are tied to the provision of other essential rights; education, food and health.

There is a long history internationally (for example, Fordham *et al.*, 1998; Mitlin, 2001, Ytrehus, 2001; HUD, 1999), as well as in Australia (Karmel, 1998; Commonwealth of Australia, 1991a; AIHW, 1995; Foard *et al.*, 1994; Commonwealth of Australia, 1992; King, 1994) of attempting to define, and measure outcomes of, housing needs. Affordability, Adequacy, Appropriateness, and Security, in various combinations, are the basic housing needs Australia has agreed to meet for all, and especially recently, those most in need. There is an apparent reticence on the part of government, perhaps dictated by the nature of housing needs, to more fully define specific minimum housing needs. The Australian government, through housing policy documents such as the Commonwealth State Housing Agreements and the Housing Assistance Act, has examined the issue of housing need regularly in recent years (for example, Government of Australia, CSHA, 1989; CSHA, 1996a; Housing Assistance Act, 1996; CSHA, 1999a). The 1989 CSHA sought to provide "affordable, adequate, and appropriate housing", the 1996 Housing Assistance Act referred to "access to affordable and appropriate housing" the 1996 CSHA dropped the term 'appropriate' and replaced it with 'secure' (referring to security of tenure), and the current CSHA (1999) continues this determination of needs, seeking to provide "affordable, adequate and secure housing" (Government of Australia, 1999a, Recital C). Each of these is discussed below.

2.4.1. Affordable Housing

Affordability dominates housing needs research and policy formulation (for example Commonwealth of Australia, 1991a; AIHW, 1995; HUD, 1999). As a basic housing need, "affordable housing conveys the notion of reasonable housing costs in relation to income" (Wood and Bushe-Jones, 1991, p. 3). Australian housing affordability is measured in various ways, dependent on the target population, but most commonly the calculation is based upon some proportion of income spent on housing. Because housing is one of the major costs associated with household function (on average, 22 per cent of total household income for Australian renters in 1999, ABS, 2000, cat no. 4182.0), housing's effect on the financial endurance of the household is significant. Affordable housing therefore, has a significant effect on non-shelter needs, such as food and medical care. The dominance of affordability as a housing need is also based on the effect affordability has upon a household's ability to meet other 'non-shelter' housing-related needs such as residential access to services and basic utilities. The widespread acceptance of affordability as a housing need is also probably due to its apparent 'measurability'. Affordability measures, such as "families in the bottom 40 per cent of the gross income distribution spending more than 25 per cent of their income on housing" (Commonwealth of Australia, 1991a, quoted in Karmel, 1998, p. 5), or the level of household income below a sliding cut-off point (AIHW, 1995), are much more straightforward to quantify and measure than 'happiness' or 'sense of security'.

Affordability is often used as a surrogate for all housing needs (Karmel, 1998; and to a certain extent Commonwealth of Australia, 1991a). The use of affordability as a sole indicator ignores other barriers to accessing appropriate housing, such as geographic location and discrimination. In addition, as King suggests, it would only be a true reflection of housing need if there were a straight correlation between the cost and conditions of housing (1994, p. 3). The significant gap between the cost of comparable housing in Sydney and Adelaide (Dunlevy, 2001) is a clear example that this correlation is less than straightforward. Affordability also fails to capture elements of a residential situation, which are imperfectly described by the cost of housing and

qualitative aspects of residential situation, such as access to adequate shops or well-resourced schools.

2.4.2. Adequate and Appropriate and Secure Housing

The distinction between definitions of housing adequacy, appropriateness, and security in the literature is blurred. Adequacy broadly refers to sufficient space within the dwelling for the number of inhabitants, the presence of basic amenities, such as water and electricity, and the general physical quality of the housing (Foard *et al.*, 1994), while appropriateness refers to the ability of a residential dwelling and situation to permit a reasonable quality of life and reasonable access to work, social contacts and services, and infrastructure (Foard *et al.*, 1994). These understandings of appropriateness and adequacy are combined in the very wide National Housing Strategy definition of appropriateness, which includes physical quality of the stock, it's affordability and geographical location, the needs of different family types and cultures, and security of tenure (Commonwealth of Australia, 1991b). King (1994) also suggests this combination, but uses the term 'quality' to depict appropriateness. Quality is used by King to "cover all aspects of housing other than cost" (p.42), that is physical, structural, and amenity characteristics.

Recently, the term 'adequate' has more or less disappeared from policy discussion, to be replaced with the broader interpretation of appropriate. The most recent Commonwealth State Housing Agreement uses appropriate to portray an understanding that individuals have different housing needs, and appropriate housing takes into account those different "household size, household type … special and cultural needs" (1999, p. 19). The term 'secure' refers to the "degree to which occupants have the right to continue tenure in that dwelling" (McIntosh, 1997, p8). Security of tenure is referred to separately in recent policy, but is essentially included under the broad interpretation of appropriate. The timing of security's conceptual separation from appropriateness is interesting, because this timing corresponds almost exactly with the effective downgrading of security of tenure as a housing right (Council of Homeless Persons, 1999; Ploegmakers, 1997).

2.4.3. Needs vs. Outcomes

This survey of the defined housing needs within Australia points to essential problems with a needs-focused approach to basic housing provision. This section will examine the problems of a needs-based approach and points to an alternative, outcomes-based approach, which is more useful in this study.

The minimum housing needs approach works from the foundation that there are basic housing needs, dictated by our humanness. This approach forces an analysis of housing needs to a very generalised level. At this general level, it is possible to say that as humans we have a basic need for shelter, warmth, and security, but for the purposes of housing research and policy formulation, housing needs are more complex than this. The difficulty experienced in more clearly defining specific housing needs reflects the very individual nature of housing needs. Housing needs vary over time and space, are dictated by each individual's situation and circumstance, and influenced by local social and environmental factors (Ytrehus, 2001). As an example, the housing needs of the elderly are different to those of younger members of society (HUD, 1999; Ytrehus, 2001), the housing needs of the disabled and their families are different from the needs of the able (Oldman and Beresford, 2000), and there is clear evidence that children have very specific housing needs (Phibbs, 2000). Acceptance that housing needs vary greatly between and within individuals, dependent on their lifecycle stage or emotional and physical state, or dependent on changing external influences, weakens the basic needs approach. This comment is also made by Ytrehus who criticises the:

"Reductionist and determinist character of the approach. The approach presupposes that housing needs can be identified in a closed system in a laboratory. Human needs are defined as objective and biological, whereas most research and practical experience from recent decades strongly indicates that human needs must also be considered as historically and socially constructed. As a basis for housing policy, the approach is flawed because it does not take into account the consideration that actual housing needs are not primarily functions of biology, but rather a result of a complex set of both biological, psychological and socio-cultural variables." (2001, p. 168)

In defence of this concept, Jackson and Marks (1999) argue that human needs are likely to be the same across cultures and time, but the way that they are satisfied varies. The question of who defines the basic housing needs of a society is also important to this critique. Bradshaw (1972) and Ytrehus (2001) both question the top-down, 'expert' definition of housing needs, they suggest that this will produce a definition influenced by the expert's own prejudice and ideals. This criticism is relevant in the light of the above analysis of Australian housing policy, where the Australian definition of housing needs has changed significantly in the last decade, often in line with political change. Analysis of the Australian situation also points to another problem with the needs-based approach - that of competing needs. Affordability, Appropriateness, Adequacy, and Security needs are usually competing (at least to some extent), for example, better appropriateness is usually closely related to increased cost, therefore this reduces affordability. There are necessarily trade-offs. If all of these needs are basic, then necessarily they can't all be fully met.

While a critique of the needs based approach exists, it must be noted that this approach is still very useful at the general level for setting out basic rights and needs. The problems arise when the needs of a group are applied to individuals. Though the needs-based approach has been widely used in research and policy (for example, Commonwealth of Australia, 1991b; AIHW, 1995; Fordham, 1998), there is an alternate approach, one directed towards the promotion of positive outcomes in the belief that these outcomes are a reflection of needs met (for example, King, 1994; Foard *et al.*, 1994; Jackson and Marks, 1999). The outcomes based approach is more appropriate for addressing housing problems at the individual level, and is especially

useful in this study. This approach necessarily means that rather than attempting to develop a comprehensive list of basic housing needs that would then be applied to individuals and families, the focus is redirected towards investigating ways to promote positive outcomes through the satisfaction of individual needs. The focus on outcomes rather than needs is an approach, which can answer the central criticisms of the needs-based approach. Rather than forcing over-generalisation, the outcomes based-approach is tailored to each case, where gaps in need fulfilment can be addressed (for example, Jarbrink *et al.*, 2001). The difficulty with definition encountered with a needs-based approach is reduced, because there are no longer inflexible, universal needs, and the problem of who should define the needs of a society is eliminated (the problem of who measures outcomes still exists to some extent though).

2.5. Residential Satisfaction the Ideal Housing Outcome

If the outcome of a life lived justly is wellbeing, then the outcome of housing needs fulfilled must be residential satisfaction, that is, happiness with the shelter and non-shelter components of housing. Like wellbeing, residential satisfaction is dependent on the perception of the extent to which housing needs are met. The components of the 'residential bundle' that individuals possess can be very different, but nevertheless it is the degree to which this bundle supports satisfaction, which should be the focus. If the 'expert' who defines the individual needs is the individual and their household, then the prejudices and ideals that they bring to the calculation are valid. This thesis is aimed at an individual and household level. It attempts to isolate what housing means for the individual and their households, what housing needs they have, and tries to devise a process for incorporating these within the relocation process to improve individual housing outcomes. An approach focussed on improving individual outcomes, where the measure of those outcomes is the level of residential satisfaction is a suitable framework for this study. The following chapters will investigate the characteristics of residential needs, and propose a method for effectively translating those needs into optimal, individual residential outcomes. This method will involve the construction of a relocation SDSS with which, each relocating

tenant household can model different relocation scenarios to select the one that potentially provides the maximum outcome residential satisfaction.

2.6. Conclusion

This chapter has presented a context for housing provision in Australia. This basis for the provision of housing is influenced by a social justice framework. Within this view of social justice, the Australian government has an obligation to redistribute the benefits and burdens of social cooperation fairly, so as to maximise the wellbeing of all individuals. Following this theoretical framework, three assumptions are made which influence the content and direction of the study. Firstly, government is obliged both legally, through international convention and internal policy, and morally, to provide an adequate housing and residential situation. Secondly, the level of wellbeing should be the focus in a just redistribution. Finally, in calculating the appropriateness of housing outcomes, the level of individual residential satisfaction is the most important measure. The following two chapters will examine the existing literature and theory of residential mobility and satisfaction.