

15 January 2023

The Honourable Julie Collins MP  
Minister for Housing; Minister for Homelessness; and Minister for Small Business  
House of Representatives  
PO Box 6022  
Parliament House  
Canberra ACT 2600

Dear Minister

### **Security of funding for Homelessness Services**

I am writing in the context of the upcoming Federal Budget in May and in response to budget submissions requested by the Assistant Treasurer and Minister for Financial Services regarding priorities for the 2024-25 Budget.

The National Housing and Homelessness Agreement (NHHA) provides funding to states and territories to improve access to secure and affordable housing and provides vital resources for homelessness services to operate effectively to meet community needs. In addition to the NHHA, the Employment Remuneration (ERO) supplementation payment was designed to help the industry meet costs associated with the ERO decision by the Fair Work Commission in 2011.

Over recent years, the matter regarding the Social and Community Services (SACS) ERO supplementation payment has been a real challenge for our sector, especially when the agreement between the Commonwealth and State and Territory governments has been under review or rolled over for 12 months. When this occurs, the SACS supplementation has not always been guaranteed, in the first instance.

In Queensland, the demand for homelessness services is far greater than it has ever been. Rental costs have surged, housing stock is scarce, and net internal migration is higher than in any other state. Put simply, the demand for housing is at a crisis levels, and whilst several housing supply measures announced are welcomed, they will take several years to come into the system. In the meantime, it is our specialist homelessness services (SHSs) that are absorbing the demand from individuals and families in need right now.

In last year's Federal budget, the Government reinstated \$67.5 million in homelessness funding. This was for one year only and is due to expire on 30 June 2024. The Budget papers and forward estimates show funding under the NHHA is projected to fall in 2024-25.

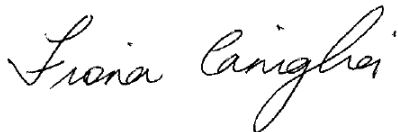
It is important to note the impact of funding reductions and uncertainty on organisation leaders and people working at the front line. Leaders face the real prospect of service reductions while people at the front line strongly indicate the need for job security as a foundation for remaining in their roles.

In summary, Q Shelter urges the Commonwealth Government to signal its intent to not only continue funding for homelessness services inclusive of the ERO supplementation but to also consider at least a 25 per cent uplift in funding as part of the new National Housing and Homelessness Plan. Q Shelter's submission to the State Budget process in Queensland has called for a 25 per cent increase in SHS funding to deal with current demand while investment in prevention is also increased to facilitate a shift from reliance on immediate and crisis response to a sustained reduction in homelessness in the longer-term.

Thank you for your consideration of Q Shelter's proposed solutions to resolving the funding position of specialist services as soon as possible so they can focus on meeting the needs of vulnerable Australians.

If you wish to contact Q Shelter regarding this submission, you can do so via Jackson Hills, Manager of Policy and Strategic Engagement ([Jackson.hills@qshelter.asn.au](mailto:Jackson.hills@qshelter.asn.au) or 07 3831 5900).

Yours sincerely



Fiona Caniglia  
Executive Director

cc.

The Hon. Meaghan Scanlon, Queensland Minister for Housing, Local Government and Planning  
Emma Greenhalgh, CEO National Shelter  
Kate Colvin, CEO Homelessness Australia