## Clarke, Pamela

**Subject:** FW: Community Development and Justice Standing Committee

**From:** Graeme Sherriff [mailto:graemesherriff@freemasonswa.com.au]
**Sent:** Monday, 13 December 2010 10:27 AM
**To:** Gordon, Brian
**Subject:** Community Development and Justice Standing Committee

Dear Dr. Brian Gordon

Apologies for the delayed response to your letter in regard to the inquiry into the adequacy and future directions of social housing in Western Australia.

As you would be aware Freemasons WA has undertaken joint ventures with the Western Australian Government in regard to providing affordable rental accommodation throughout WA, the rural areas being, Esperance, Albany, Busselton, Bunbury, Kalgoorlie, Geraldton, Port Hedland and Karratha, and in the metropolitan area, Coolbellup and Orelia. These villages under management range in size, Bunbury being the largest at 35 one bedroom units.

The partnership of Government funding and not-for-profit management works.

Some of the issues we see are as follows:

- size – the one bedroom in many cases is a little small, a second bedroom is ideal
- the demand for affordable rental housing for those over 55 years will continue to increase, particularly in view of the government strategy to keep the aged in their home accommodation by way of care packages
- the not-for-profits are potentially better equipped to manage rentals in the over 55s in terms of assessing resident health needs
- apartment living for the over 55s is more acceptable today than before
- location of villages needs to be near to facilities i.e., hospital, medical, shopping etc., this is a major factor
- given that the average age in retirement villages, whether they be resident funded ILUs or rental accommodation, is in excess of 75 years and climbing – care packages need to be made more readily available to meet the future needs
- apartment style accommodation can be provided to the elderly with care packages attached, obviating the need for some years for the elderly to be accommodated in an aged care facility

We need to look at fresh ways of assisting with the ability of employees saving for their housing from a young age.

A Housing Bond, much like superannuation, paid from pre tax dollars, interest paid, held by Government, and made available at purchase of a home, or in necessitous circumstances.

I am not suggesting this is an answer, but more implying that we need to look carefully at alternative measures.

Kind Regards


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**HOUSING BOND**

There is an ever-growing need to provide affordable rental accommodation in Western Australia, at both metropolitan and rural locations.

Employees need to start saving at an early age to provide for sufficient deposit to enable the purchase of residential property, obviating the need to rent for life. Financial planning to provide for this purchase needs to begin at an early age, from first employment.

The cost of housing is almost prohibitive to the first homebuyer; the stamp duty exemption benefits certainly provide some relief.

A Housing Bond would provide for regular savings, in much the same way as superannuation.

Superannuation provides for income in retirement.

A Housing Bond would provide the necessary deposit enabling the purchase of a residential property.

A format suggestion is as follows:

- Housing Bond can be government managed with interest paid accordingly
- Payments are made direct to the Bond by the employer in much the same way as superannuation
- An amount of 9% of gross income would be an ideal start
- An additional incentive would be for funds to come from pre tax dollars, restrictions can be put in place
- Funds released to assist in the purchase a home or house and land package
- Funds released in exceptional cases of necessitous circumstances

If we encourage saving in the above manner, enabling more people to purchase their own property an impact will be evident by way of a reduced demand for rental accommodation.