



Ecoso Exchange Newsletter

Crow Collection Association (Incorp)

Ecological, Social and Political Discourse

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SPECIAL EDITION ON PUBLIC HOUSING

Sixty Years Onward !

Public Housing in Victoria

1937 to 1997.

A collection of articles by Ruth and Maurie Crow which have been published in Ecoso over the past 30 years. Thus :-

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2. The Tenants Councils (1937 to 1950)
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 10. The Housing Crisis No Accident (Karl Marx).

The result of abolishing capital grants for public housing .

Although the government could liquidate its investment simply by selling all (or part of) its public housing stock, there would be no net benefit from doing so. Such an approach would have to be weighed up against its costs. These include:

- Having sold the public housing stock the governments would have lost an effective physical hedge against the welfare costs that they face during cyclical downturns. That is, during a recession governments not only need to make greater welfare payments because of the greater numbers of low income people, but because the housing stock is sold they will have to pay more per household (because low-cost housing rents increase as a result of the increased demand).
- There would be additional costs of providing general rent assistance. The demand for the lowest quality rental accommodation would increase with the addition of those who previously resided in public housing. The former public housing stock, being of an appropriate and therefore better quality, would not all be retained in this low-quality market. As a result, rents would rise because of an increased demand (without a corresponding increase in supply).

Ownership of public housing stock allows government the option of increasing assistance at a lower cost. (Industry Commission 1993 p.61).

Welcome to new readers. Ecoso Exchange Newsletter is published quarterly by the Crow Collection Association. Its fore-runner "Irregular" was first published by Maurie Crow in 1967. The Crow Collection is at the Footscray Campus of the Victoria University of Technology. For more information, phone 03/9329.8685, FAX 03/9688.4324 - see back page of this newsletter.

The Tenants' Leagues

The Issues and Campaigns on Affordable Housing 1937 to 1950.

*This article was written by Ruth Crow. It is based on information provided by Leila Mullett and Winsome Forbes who were members of the North and West Melbourne Tenant Council (League) in the 1940s, and on documents of the League copies of which are in the Crow Collection at the Footscray Campus of the Victoria University of Technology. The title of the file is **Slum Land-lordism....Some Documents of the North and West Melbourne Tenants Council.***

In 1936, rentals of houses within certain slum pockets of Melbourne gave landlords returns as high as 130% on valuations of properties by the State Land Tax Department. In the twelve months between January 1936 to December 1936 there were 2,213 evictions in Victoria. (1)

A large proportion of inner urban dwellings had been built during the 1880s landboom, they were shoddily constructed, and crowded together, some facing laneways. Many had no running water indoors. Rat and bug infestation resulted in a high incidence of infectious diseases. (2)

In the 1930s and 1940s there were widespread campaigns to abolish slums in inner Melbourne suburbs. As early as 1933 F.Oswald Barnett wrote a book *The Unsuspected Slums*. Barnett, an accountant, was shocked by the contrast between the misery of children at an inner city mission and the comfort of his own children. He became committed to solving the housing problem and started one of the most powerful single issue political movements in Australia's history, the Slum Abolition Movement.

In an address to the Council of Churches in the mid 1930s Oswald Barnett warned :-

The only solution to the slum problem is to take people out of the slums, otherwise the revolutionary forces of Communism will urge them to do it for themselves. Two thousand unemployed gather in Collingwood every week and listen to Communists who offer them something while fortunate people offer only soul destroying dole. (3)

Oswald Barnett's contribution is well documented in photos, pamphlets, newspaper reports and on film. Parallel with this movement was the movement of the Tenants' Council (sometimes called Tenants' Leagues) which campaigned in North Melbourne, South Melbourne, Richmond and other inner areas. There is very little documentary evidence of their existence but the few scraps of paper that do exist show that in North Melbourne the Tenants' League was petitioning for the removal of obnoxious trades as early as 1938, digging air raid trenches in 1942 and providing housing for elderly people in the late 1940s.(2)

MAIN ISSUE ; - REPAIRS TO MAKE DWELLINGS LIVABLE

Throughout the 1930s Oswald Barnett's Slum Abolition Movement was campaigning to have the slums demolished. **Slum abolition was not the prime issue for the Tenants' Councils (Leagues).** They

campaigned to improve the inner urban environment and its dwellings. In the 1930s and early 40s the North Melbourne Tenants League's main issue was for housing repairs and rent control.

Their campaign resulted in the Fair Rents Court being established by the end of the 1930s. The next Tenants' Council (League) issue was to make sure that tenants could use the Court effectively. They sought allies amongst progressive professional people, lawyers architects and from building trade unionists.

The (unpaid) lawyers trained housewives and shift workers to be "court advocates" who helped tenants to present their cases at the Court. The (unpaid) architects inspected the houses and helped tenants prepare reports for necessary repairs. The building trade unions organised public meetings. (2).

Although it was expected that tenants would mainly use the court to claim reduced rents, in practice most of the Fair Rents cases were about ensuring houses were repaired and made livable.

GIVING A LIFT TO THE SPIRIT OF COMMUNITY

The Housing Commission was established in 1938 and from then on, for the next few years, the Tenants' Leagues campaigned for slum abolition in specific areas, on some occasions receiving a measure of support from the Housing Commission (Oswald Barnett was one of the Commissioners until the end of the 1940s). For example, in 1944 the Rev. Hankinson (president of the North Melbourne's Tenants' League) wrote to the Commission asking that the triangle bounded by Molewsworth Haines and Abbotsford Street be reclaimed. His letter stated :-

new houses to replace slum dwellings would give a lift to the spirit of the community (a very important thing) and it would set a standard and an idea for others to follow. (2)

Flats were built on this site in early 1950s, unlike later Commission redevelopments, attempts were made to rehouse people, who had previously lived in the demolished houses, back into the new dwellings. A high proportion of the rehoused tenants continued to participate in North Melbourne community life well into the 1980s, thus playing an important role in knitting the neighbourhood networks during a period of considerable change..

"A NEW ORDER OF CHILD LIFE THAT IS TRULY MAGICAL"

The North Melbourne Tenants League initiated a number of improvements to community services, For example the need for after school hour child care. In 1944, Winsome Forbes, on behalf of the League, wrote to the school principals and committees stating :-

Our organisation is very interested in the care of young children whose mothers are working in our factories to keep up war production. In our work in North Melbourne in connection with housing, we have found that mothers are often worried that their small children of five, six and seven have only the street to play in during the time they leave school and their parents return from work. (2)

The letter resulted in a committee being formed and an after-school play centre was eventually opened in the Errol Street Methodist Centre. Also, the League's campaign on children's services encouraged the Melbourne City Council to establish the first **Municipal Preschool Centre**. This is now called the Lady Huntingfield Centre and is in Haines Street near Dryburgh street.

The Council's initiatives in constructing and administering the Lady Huntingfield Children's Centre was a landmark for all involved in the provision of community facilities. The decision was greatly influenced by Dr John Dale, Medical Officer for Health in the Melbourne City Council in the 1930s and 1940s. Unlike most council officers (of his day and of most other periods) he popularised a **philosophy on community services**. No doubt, his close links with the community helped him to develop such a positive outlook on life. In the 1940s, for example, he drew public attention to the plight of inner area young children through such colourful quotes as these three :-

Kindergartens secure a new order of life for a child that is truly magical

The ideal situation for a kindergarten will be within walking distance of all toddlers.

Kindergartens constitute a very effective effort of re-housing which "rehouses", under ideal conditions those citizens-to-be upon whom the conditions of existing housing tend to press most heavily. (?)

"SLUM MINDEDNESS" AND "GREEDY LANDLORDS"

Oswald Barnett and the slum abolition movement were concerned about what they termed **slum mindedness**. In such publications as *The Unsuspected Slums* he graphically described the drunkenness and mental deterioration he found amongst the inner urban families. Thus he and his supporters tended to **blame the victim**. He had missionary zeal and in the 1930s he strongly advocated breaking the cycle of poverty and wretchedness by **removing the children** as soon as possible after birth and placing them in an atmosphere where they could grow up to be **decent citizens**. He was one of the main people to establish the Methodist Babies' Home in the 1930s.

However, by the end of the 1930s Barnett believed that :-

You could not lift every baby out of the slums unless the parents were criminals, derelict or in some way incapable. It meant lifting the whole family out. That means slum abolition. It was a natural conclusion.

The people who were involved in the Tenants' Councils tried to publicise the way **greedy land-lords** were making huge profits from renting out sub-standard dwellings, claiming that this was the main cause of slum squalor (4). They campaigned for the Fair Rents Court, assisted tenants with advocacy, and promoted community action on social issues. Such empowerment was an antidote to "slum mindeness".

There is some evidence that grass roots organisations, such as the Tenants' Councils have existed in Victoria since about 1911 but few have left significant documents.(5) Thus the Tenants' Councils' archive is not only important because it provides some information about the housing campaigns of the 1930s/1940s, but also because it illustrates the ability of ordinary citizens to form organisations through which they can do together what it would be impossible for an individual to achieve. By identifying "greedy land-lords" as one of the main causes for the "slums" the tenants were able to campaign to curb this power, and in the process, as life became more purposeful, "slum-mindedness" was less a feature of the inner suburbs.

Footnotes.

1. Information from "We Must Go On" by Os Barnett 1944, in Crow Collection books
2. See *Tenant Council Documents* in Crow Collection manuscripts.
3. See *Interview with Os Barnett* by Bill Russell in Crow Collection manuscripts
4. See *Control Prices and Rents* by H.B. Chandler in Crow Collection pamphlets.
5. See an article *A Great Ring of Landlords* by David Harris, published in *Making a Life* (edited by V.Burghman) which describes the *Rentpayers Union* in 1911. Article in Crow Collection manuscripts..

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The First Thirty Years of the Housing Commission of Victoria 1.

This article was written by Maurie Crow in 1968, when news was first received that the Victorian Government was preparing an URBAN RENEWAL BILL (2). It was mainly directed at helping to give the newly emerging inner urban action organisation a sense of history. In it Maurie gives five reasons for the popularity of the Housing Commission in the 1930s/early 40s. He then shows how these policies have been undermined in the 1950 and 1960s and follows this up with eleven proposals for the urban action movement. (These 11 points are not included in this article)

Here is a reprint of the first part of the original article :-

In the 1930s when the left wing of the labor movement was battling for better conditions for the unemployed against evictions, Oswald Barnett and his band of keen young Christian reformers headed a protest movement for the abolition of slum conditions in the inner Melbourne suburbs.

From this pressure came the Housing Investigation and Slum Abolition Board which reported in 1937 :-

The Board records its horror and amazement at the deplorable conditions under which these thousands of men, women and children are compelled to live. Hundreds of homes contain small rooms, low and water-stained ceilings, damp and decaying walls, leaking roofs and rotting floors. Many are badly lighted, rat and vermin infected and without proper ventilation

Inadequate sunlight, dampness and lack of drainage render these shelters (which are not worthy of the name of a

dwelling) into veritable plague spots, and heavy toll is being taken of the health of the occupants, particularly of the women and children,

The report also published a list of owners of 7330 slum and sub-standard dwellings. This sensational document led to the creation of the Housing Commission of Victoria (HCV) in 1937 which had a mandate for the purchase and clearance of slum properties and the resettlement of the tenants in modern houses and flats constructed by the Commission.

GOOD POINTS ABOUT THE HOUSING COMMISSION IN THE 1930/1940s.

There was popular support for the HCV because it proposed :-

1. **A Subsidy to Tenants.** People most desperately suffering from the housing shortage were subsidised by the Government.
2. **An Attack on Rack-renters.** The acquisition was in the main from the slum land-lords.
3. **Garden Suburbs Close to the City.** The "garden city" settings of the early Commission Estates with inbuilt shopping and playground facilities were very progressive for those days, the application of the most modern and advanced town planning policy, creating for the first time, standards and amenities better than those enjoyed by workers in most "industrial suburbs" and which came within some distance of the standards enjoyed by more privileged classes.
4. **High Popularity.** Such a wide strata of the working people were inadequately housed due to unemployment of the 1930s and war in the 1940s that when they were re-housed in the Commission estates there was no feeling of being cast amongst the under-privileged sections of the community.
5. **Nationalised Industry.** The Commission was from the outset a public sector of the economy. The Commission's Holmesglen Prefabricating Factory, was a former defence factory, one of the few adapted to peace-time publicly-owned uses.

CHANGING CONDITIONS FROM 1930/40 TO THE 1960S

However there have been changing conditions both in the community and in the HCV which demand re-thinking (Note. This article was written in 1968, almost 30 years ago).

1. 1940/50s Subsidy To Tenants Change in 50/60s to Assistance to Private Builders via Purchase.

There has been a preference under Liberal Governments in the 1950s and in the 1960s for housing subsidies to go less in the form of public housing for rent from the HCV and more in the form of financial assistance to **home-owners** in which private enterprise does the home building. eg. Co-operative Housing (Federal Govt.), Housing Loans and Insurance (Federal Govt.), Home Savings Grants (Federal Govt.); Home Finance Trust (State Govt.) as well as housing finance released as a matter of

Government policy through the Commonwealth and State Banks. This process has been facilitated by increased employment of women and relatively little unemployment in the post war years.

2. In the 1930/40s there was an Attack on Rack-renters; but in 1950/60s Slum Land-lordism a Vanishing Race.

The increasing facilities for home purchase meant a decline of landlordism generally. Rent controls in the 1940s induced many slum landlords to sell to tenants. The increase in migration resulted in increase in house sales. Thus, (in the 1960s) inner urban land acquisition by the Housing Commission was not from slum landlords but from elderly Australians and newly arrived migrants.

3. In 1930/40s Garden City Suburbs close to City Centre, But in 1950/60s Walk-up, High Rise or Banishment to Outer Suburbs.

The (relatively) reduced scale of the HCV, the removal of Oswald Barnett from the Commission, and the economics of the high price of land have continued to force changes in policy. In place of the idyllic-inspired garden settings (eg. Fishermen's Bend, East Coburg, Brunswick West) there was the dreary grid system or near grid system of Broadmeadows, Heidelberg, and the Commission's detached housing estates are receding further and further out. Coupled with this is the policy for high density inner suburbs.

4. 1930/40s HCV Highly Popular, ...In 1950/60 HCV Estates as Enclaves of Under-privileged.

Due to the acute lack of an ability by the HCV to keep up with the demand over a long period of years, HCV estates are tending to be concentrations, not of typical range working class families, but of sections of the people. There is developing a reluctance of the more typical workers to live in such estates, especially if there are children, and a reluctance, even, to live close to such estates.

5. 1930/40s Nationalised Housing Construction Industry ,.. 1950/60s HCV Increasingly an Instrument of Master Builders.

Liberal Governments in addition to tipping the scales towards privately-owned-houses built-by-private enterprise against publicly-built-Commission-homes-at-low-rental have gradually changed the function of the Commission. Its operations are now not fully part of the public sector in two main respects :-

a) The Commission subcontracts to the master-builders. This amounted to \$2,500,000.00 for 1966/67 (see HCV Annual Report page 9) total capital works expenditure on all buildings (including country 55% of total) was \$28,930,755.00 (See HCV Annual Report, page 17)

b). The Commission sells to master-builders at prices as low as 50% of the cost of acquisition and clearing to induce them to redevelop. A high proportion of this private re-development was by Jennings.(3)

(Later, the sale of the Holmesglen factory further reduced the public sector involvement in the HCV)

During the 1950s, and particularly during the 1960s the emphasis seems to have shifted from Barnett's burning desire to re-house people in an uplifted environment to one of reclamation of land and the stated intention is that private enterprise should be encouraged and subsidised to re-develop at least 50% of the reclaimed land.

At the end of this section of the article Maurie states :-

What is needed is to rethink the Commission's policy and methods, and this cannot be done without a clear policy for the whole inner area, and this too unavoidably, is connected with the policy for Melbourne as a whole..

(End of this section of Maurie's report)

Maurie then gives details of 11 policy points. Those readers who are interested in pursuing such information may refer to page 190 in the "Irregular/Ecoso" file in the Crow Collection. (4)

Footnotes

1. *The HCV No Longer Exists.* The Housing Commission of Victoria (HCV) was established in 1938 and for the next 50 years the acronym "HCV" was synonymous with the words "Public Housing". However the HCV was abolished by the Cain Government and the Ministry of Housing (MOH) had direct responsibility for public housing. Since the end of 1996 the administration of public housing in Victoria is the responsibility of the Department of Human Services, Office of Housing (OoH).

2. *The Victorian Government's 1969 Urban Renewal Bill..* (This footnote is a footnote written by Maurie as part of above article). On October 29th 1969 two Bills on Urban Renewal were introduced in the Victorian Parliament by Mr Meagher (Housing Minister). The first Bill aimed to establish the Victorian Housing Commission (VHC) as an urban renewal agency empowered to draw up urban renewal proposals for particular areas, The second Bill gave similar powers to a municipal council or any other "renewal agency" that may be constituted in the future, by Parliament.

It was widely recognised publicly, that although the two bills were legally complementary, they were a result of rivalry in Cabinet between the Minister for Housing, Mr Meagher and the Minister for Local Government, Mr Hamer, reflecting also differences in approach by the Housing Commission, on the one hand, and the Melbourne and Metropolitan Board of Works the regional planning authority on the other.

3. *Subsidies to Developers - Cost of Reclamation c/f Purchase Price.* See *Plan for Melbourne, Part 2* by Ruth and Maurie Crow, page 143 for information from Hansard on these subsidies. This book is in Crow Collection.

4. *The 1960s/70s Campaigns on Urban Renewal.* During the late 1960s and early 1970s Maurie was involved in a variety of organisations around carrying out some of the 11 points proposed in this essay. Some of the reports are available in the Crow Collection.. See also a series of articles in *Irregular*. ("Irregular" was the fore-runner to Ecoso Exchange Newsletter. It was started in 1967 and the name change was in the mid 1970s). Files of *Irregular* are in Crow Collection.

Public Housing ? Community Housing ?

In 1993 the Industrial Commission held an Inquiry on Public Housing. Here is a synopsis of a submission prepared by Ruth Crow for the Housing for Aged Action Group.:- (1)

CATEGORIES OF PUBLIC HOUSING

In Victoria there are 4 main categories of subsidised housing :-

1. **Public rental housing** owned and managed by government housing authority.(in the past this was called HCV Housing)
2. **Community managed housing** owned by a government housing authority and managed by a variety of groups.
3. **Community owned and managed rental housing**, owned by community based corporate structures and managed by community based groups.
4. **Community owned rental housing**, managed by State Housing Authorities.

DEFINING PUBLIC HOUSING (2)

Public Housing has 4 distinctive features :-

1. It is owned by the federal, state or local government.
2. It is available exclusively for rental accommodation
3. Tenancy is based on capacity to pay
4. Security of tenure is guaranteed.

CONSEQUENCES OF SOCIAL AND COMMUNITY HOUSING

Social and community housing policies are resulting in :-

1. **Public Housing** only for the disadvantaged minority
2. **Private Owners** are subsidised by the government
3. **Private housing** is developed instead of **public housing**.

THE PUBLIC IMAGE OF PUBLIC HOUSING.

The vast majority of housing innovations described in government publications are chosen from the social housing sector, This provokes 3 questions :-

1. Is there some barrier preventing public sector housing from becoming innovative ?
2. If there are such barriers how can these be overcome ?
3. Why have improvements in public housing not lead to an improved public image ?

POPULARISING PUBLIC HOUSING.

There are 3 main reasons for popularising public housing :-

1. To give more dignity to the tenants.
2. To provide balanced information to the public.
3. To encourage local government and other authorities to work with more confidence with public housing tenants in the provision and delivery of local services.

Footnotes

1. The quote on cover of this Ecoso is from the Industrial Commission's Report.
2. The HCV Housing Estates met this four point criteria.

Commonwealth/State Housing Agreement

As a signatory to the United Nations Declaration of Human Rights the Australian Government has the responsibility of ensuring that every citizen has access to housing, education and health.

Since the end of the 1940s the housing obligation has been met through the **Commonwealth State Housing Agreement (CSHA)**. In the past CSHA grants were "tied" so that money has had to be spent on the physical provision of housing for low income people. Originally this meant the funding of public housing by such State Government instrumentalities as the Housing Commissions.

On December 11th 1995 the Labor Party Prime Minister announced a direct shift in housing assistance, untying the grants and introducing **headleasing**. This has resulted in a reduction of funds which have traditionally been set aside for construction and upgrading of public housing. Federal grants, which are no longer tied, can be used at the state's discretion. (1)

ARGUMENTS AGAINST HEADLEASING.

Headleasing means that low income people have their rent subsidied but the property rented is obtained from estate agents and other private markets. Thus :-

1. Headleasing is an indirect subsidy to the private market and reinforces the social inequity that government intervention has in the past helped to reduce.
2. By its very nature it cannot provide secure tenure for residents.
3. The private property owner has both the intention and certain rights of ownership which are at odds to the needs of the tenants.
4. The privately owned dwelling has both a use value and an exchange value; and the property owner is naturally more concerned with the exchange value, thus security of tenure will be affected by market values of the property.
5. Public housing does not have an exchange value and tenancy is not subject to the whim of the property market.

(Note :- The change in government policy has been welcomed by the housing industry leaders including the Master Builders Association and the Real Estate Institute of Victoria)

Footnote

1. See article on *Public Housing ? Community Housing* in this Ecoso..

THE HOUSING SHORTAGE IS NO ACCIDENT A Warning from Karl Marx (140 years ago)

The landowner in his capacity as capitalist has not only the right but by reason of competition, to a certain extent, even the duty, of ruthlessly making as much out of his property in house rent as he possibly can. In such a society the housing shortage is no accident, it is a necessary institution.

HOUSING PEOPLE A Public Responsibility?



An exhibition of photographs of inner Melbourne housing during the Great Depression and beyond

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Organised by City of Moreland, Housing for the Aged Action Group, Brunswick Progress Association & The Crow Collection

**This a special edition of Ecoso for the Brunswick Housing Expo.
INFORMATION ABOUT ECOSO EXCHANGE NEWSLETTER.**

Eco - Ecological, Soc - sociological, Exchange - non-authoritarian

Since 1990 Ecoso Exchange Newsletter has been the newsletter for the Crow Collection Association (Incorporated). The forerunner of Ecoso was called Irregular. It was first published in 1967 when Maurie and Ruth Crow helped to initiate regular discussion groups on urban issues as a follow up to the trade union based Living Standards Convention which was held that year.

In 1973 the name was changed to Ecoso and four guidelines were adopted.:-

1. The promotion of community participation.
2. Popularising changing life styles which combat consumerism.
3. Advocating restricting use of non renewable resources
4. Achieving these objectives through participation.

ABOUT THE CROW COLLECTION ASSOCIATION

The Crow Collection consist of books and unpublished documents on political and sociological issues which were donated by Ruth Crow to the VUT in 1990. Supporters of the Collection have formed the Crow Collection Association which has the aim of enhancing the comprehensiveness of and accessibility to the Collection. These aims are implemented by the publication of Ecoso, projects around specific issues and occasional social gatherings..

The 1995 Senate Inquiry on Citizenship asked the challenging question *What Sort of Society Do You Want Australia To Be ?* Ecoso continues this discourse. If you would like to contribute please send in material for Ecoso articles.

SUPPORT THE CROW COLLECTION BY SUBSCRIBING TO ECOSO

The main funds for the Crow Collection come from Ecoso subs. The subscriptions to Ecoso is \$10 for five issues. Please send subscription to Crow Collection c/o Ms Sheila Byard, Dept. of Urban and Social Policy, Footscray Campus of the Victoria University of Technology, Box 14428 MCMC Melb 8001. (More information by phoning Ruth Crow 03/9329.8685 or FAX Sheila Byard 03/9688.4324).



Crow Collection
Victoria University
Footscray Campus
C/o Box 14428 MCMC