

The Issue of Social Exclusion

- **There is increasing evidence of a divided society**

The Governor-General opened the Conference and provided a commentary on the polarisation occurring within the parameters of unprecedented economic growth and opportunity. These trends were validated by material provided by various speakers during the course of the Conference, particularly in the report "Community Opportunity and Vulnerability" presented by Bob Stimpson.

Almost one-third of people living in Australia's metropolitan cities live in communities classified by vulnerability. This vulnerability is associated with high rates of unemployment, low levels of household income, low levels of home capital, limited access by their workforce to the industries of the new economy, frequently characterised by high concentrations of housing financial stress and families and households very dependent on social security payments and other income transfers.

By contrast, around 28% of people in Australia's metropolitan cities are in the growing informational economy with new industries and occupations, high household incomes and lower levels of unemployment. In Australia's towns and regions a complex picture is emerging between some regional centres adjusting well whilst others, including coastal and retirement centres with high population growth, clearly displaying significant vulnerability.

- **Unprecedented numbers of people are being excluded from economic and social participation**

This includes a widening of market conditions and the casualisation of employment. In addition household structures – ever changing – lead to increased inequality due to ageing, the breakup of family structures and so on. As Judith Yates noted, more single person households means more low income households.

- **The issues and trends are international and partly arise from globalisation**

Various overseas speakers, particularly James Carr, pointed to the commonality in issues and dilemmas across nations and across continents. Whilst the lexicon may vary, concentrated poverty, hyper-isolation, underclass, social exclusion and so on all point to a new level of actual and relative poverty. It is clear that the opening up of financial flows across nations, the acceptance of trade access across national boundaries and

the removal of tariffs and subsidies is having profound effects on particular people and on particular places. Mavis McDonald identified factors leading to the need for a new approach in the UK. These included the impact of new technologies, the emergence of new industries and the failure of public policies.

- **Particular groups of people and locations are under threat**

It is clear that certain households, individuals and certain places are being adversely affected by these circumstances. This is being reflected in the pattern of housing provision across Australia and elsewhere. Some major insights into shifts in housing provision were revealed. Judith Yates and Marianne Wulf are providing extremely important analysis of the effects of shifts in economic and social conditions and policy responses over the last 10 to 15 years. Two in particular should be noted. Whilst the shift away from home ownership appears in overall terms to be modest, the shift in certain age cohorts is quite dramatic. Between 1986 and 1996 for 24-35 year olds – a critical population group – an 8 percentage point decline in home ownership occurred. The second critical issue raised is especially important to social housing providers. There has been an extraordinary decline in the availability of low cost housing in the private rental market in parallel with a protracted decline in the numbers of stock available through public and other social housing providers. The shortage of low cost stock, Judith estimated at being around 50,000 dwellings at a minimum and more likely to be in the order of 150,000 dwellings is measured by households paying more than 30% of their income in housing costs. The explanations of these changes are clearly complex, but it appears clear that the private rental market is not meeting the gap felt by the relative decline of social housing providers.

These conditions are further validated by Mike Berry's analysis of mortgage default in recent years. His paper found that the numbers of households getting into financial strife over repayments has risen significantly throughout the decade with claims made by one major mortgage insurer running at three times the level of the 80s. Young lower income Australians it would appear are being increasingly stranded in the long-term private rental market at price levels hitherto considered unreasonable.

- **State and community housing providers are at the forefront of community renewal**

The Conference heard from a number of practitioners on both the difficulties of dealing with this environment and more optimistically on creative responses facing up to the challenge. Bill Payne from the Yorkshire Community Housing Association gave some inspired examples of genuine attempts to renew not only physical stock but to renew the essence and fibre of communities themselves. Jim Carr also pointed the way to community development corporations which grasp the initiative – and make a difference.

- **New responses from government are required**

There is clearly an opportunity for public, private and community providers to respond to this new environment. Federal Minister Jocelyn Newman outlined various initiatives exploring opportunities to build new partnerships between service providers, between voluntary and government organisations and between business and government. Deputy Premier Refshauge launched a number of specific new initiatives, some relating to the internal structure and operations of government, some relating to specific communities which will trial and test new ideas and approaches. Importantly he also placed public investment in these initiatives. Adelaide Lord Mayor Jane Lomax-Smith gave examples of how an increasingly marginalised metropolitan community is attempting to reposition itself. She stressed the abuse of language in approaches currently used by government. "Clients and customers have no power in transactions in service provision. The reaffirmation of citizenship", she stressed, "was a precursor to a civil society."

- **Housing alone cannot meet the challenge. Government alone cannot either. It needs the community to be active and to actually take the lead**

Perhaps the greatest and most consistent message across the Conference presentations was that housing providers must develop new bonds and partnerships with other parties – public, private and community based. "The grand plan from above" needs to be replaced with a genuine method of harnessing the resources and capacity of communities. Nevertheless, Chris Paris in passing made much of the Irish National Government's new development plan proposing to spend \$85 billion over the next decade in new expenditure for a country with less than 5M people.

- **New partnerships are required at all levels – particularly with the communities themselves**

But ultimately community renewal depends upon communities more than any other factor. Eva Cox spoke not only of social capital, but also of the difficulties in establishing trust between governments, between

professionals and between the numerous other interests and individuals affected in vulnerable communities. Bill Payne re-quoted Tony Benn saying that people should rightly ask not only what power do you have, but how do I get rid of you if I want to?

The Conference uncovered on the one hand a pattern of increasing polarisation and dislocation within national progress. At the same time it unearthed a rich stream of ideas, opportunities and goodwill which now needs to be taken further and brought into tangible public and community benefits.