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Federal Budget reveals millions to be cut from vital homelessness services

Tonight's Federal Budget has failed to include the stimulus investment in social housing urgently needed to respond to growing homelessness and includes a \$41.3 million cut to homelessness services from July 2021.

Homelessness Australia Chair, Jenny Smith says, "Tonight's budget is devastating. In a year with huge increases in unemployment creating a surge in rental stress and homelessness, the Federal Government has chosen to slash homelessness funding.

"The Treasurer had a choice to make, and he has chosen homelessness for tens of thousands of Australian families. Without increases in social housing and with even less resources for homelessness services, many families will become stuck in homelessness for a long time.

"The Government has ignored advice from all corners: from top economists, property industry and community sector leaders, as well as popular support from the community; all calling for the Government to invest in social housing to both create thousands of new jobs each year and to deliver enormous social good.

"The failure to invest in social housing growth in the 2020 Budget follows a 10 per cent cut to housing and homelessness funding over the three years from 2017-18 to 2020-21, most of which has been cut from remote Indigenous housing.

"The 2020 Budget includes a one-off payment to Queensland for remote Indigenous housing. It also includes funding for remote housing in NT, but even with these short term funds, annual funding for housing in remote Indigenous communities is \$237.2, less than half the amount of \$526.6 spent in 2017-18.

"Not only has the Budget ignored the opportunity to build social housing as economic stimulus, it has revealed plans to slash a further \$41.3 million from vital homelessness support in July. Despite soaring demand, tonight's budget has put services in an impossible situation.

"Homelessness services are already under enormous strain. Last year alone, services had to turn away 253 people every day because not enough housing or support was available, and cuts to services will increase the number of people in need who are turned away.

"The economic ramifications of this pandemic will continue well past 2020. Slashing \$41 million in homelessness support in July is senseless and cruel," says Jenny Smith.

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