



18 December 2013

Mr Chris Jordan
Commissioner for Taxation
Australian Taxation Office
Canberra ACT 2601

Dear Mr Jordan

ATO draft ruling goods and services tax: supplies made by an operator of a 'moveable home estate' (GSTR 2013/D2)

Shelter SA is the peak body for housing in South Australia. Shelter SA's vision is that every South Australian has a safe, secure and affordable place to call home. Shelter SA conducts systems advocacy and provides policy and legislative advice to government, non-government agencies and interested individuals.

There is a housing affordability crisis facing people living on low incomes and this is reflected in the rising number of people who find themselves homeless. Nationally, the number of people receiving assistance from specialist homelessness agencies has increased, according to a report released yesterday, 17 December, 2013 by the Australian Institute of Health and Welfare. The report, *Specialist homelessness services: 2012–13*, shows that about 244,000 Australians accessed specialist homelessness services in 2012–13—a 3% rise since 2011–12.

People who reside in residential caravan parks and residential parks do not have any security of tenure over the land their homes have been built on that is protected by law. As such, they are extremely vulnerable to changes in how the land is zoned, regulated and redeveloped.

I understand that no consultation has taken place around the ATO draft ruling and while residents wait to hear about an outcome they are experiencing high levels of stress and fear about the extremely detrimental effect it will have on the sustainability of retaining their homes. If the ruling is applied retrospectively it will not be possible for the majority of residents to pay an extra amount, especially those who rely solely on Centrelink payments as their only source of income.

Residential parks provide affordable homes for approximately 1,700 people in South Australia and over 100,000 people nationally, many of them older citizens. The communal residential park environment is one that enables people to live independently as they age in place, promotes a sense of safety and community and prevents people from becoming socially isolated. The parks are a very important and highly valued element of the Australian housing system for people living on low incomes.

In the past twelve months Shelter SA has been involved in systems advocacy to protect the rights of a range of people living on low incomes for whom the rules around their residencies and tenancies have changed. Permanent caravan park residents have been told by local government there is no

such thing as permanency, despite buying and selling homes for up to \$100,000 – ironically, with all construction and transactions requiring approval by the same local government. Public housing tenants have been living with uncertainty for two years while State Government has explored the redevelopment of their homes in the inner-city. Now we are seeing another group of our vulnerable citizens, residential park residents, living with the same uncertainty about their future.

Should the draft ruling continue to be considered, Shelter SA supports the request from the South Australian Residential Parks Residents Association to conduct a consultation that achieves the following outcomes:

- Reduces the confusing options, costs and management structures of residential parks;
- Gathers national data;
- Engages stakeholders; and
- Creates an integrated approach across States and Territories for the design and management of residential parks.

The draft ruling requires your urgent attention and Shelter SA calls upon you as Commissioner for Taxation to immediately stop any change to the goods and services tax that will cause people to become homeless.

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Executive Director



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We acknowledge and respect the Kurna people as the traditional custodians of the ancestral lands we live and work on and their deep feelings of attachment and relationship to country.

Cc All South Australian MPs
Adam Farrar, Chairperson, National Shelter
State and Territory Shelters
South Australian Residential Parks Residents Association
Ian Yates, Chief Executive, COTA Australia
Ross Womersley, Executive Director, SACOSS
Cassandra Goldie, Executive Director, ACOSS