

Centenary flashback: Great Depression leads to new Housing Trust

In 1929, the stock market on Wall Street crashed, signalling the beginning of the Great Depression.

For Australians, the Depression hit hard, with the unemployment rate reaching 32 per cent at its peak in 1932. Many Western Australian families struggled to make repayments on their homes due to financial hardship which was deemed to be 'out of their control.'



*The unemployed march in Perth's CBD during the Great Depression.
Photo courtesy of the State Library Western Australia 049246PD*

To assist families during this difficult time, the Workers' Homes Board (known today as the Department of Housing), eased its terms for repayments and did not service eviction notices in connection with any of its properties from 1933 to 1938.

"The outstanding arrears increased during the year, but very sympathetic consideration was extended by the Board to the deserving cases," stated the Board's Annual Report in 1933.

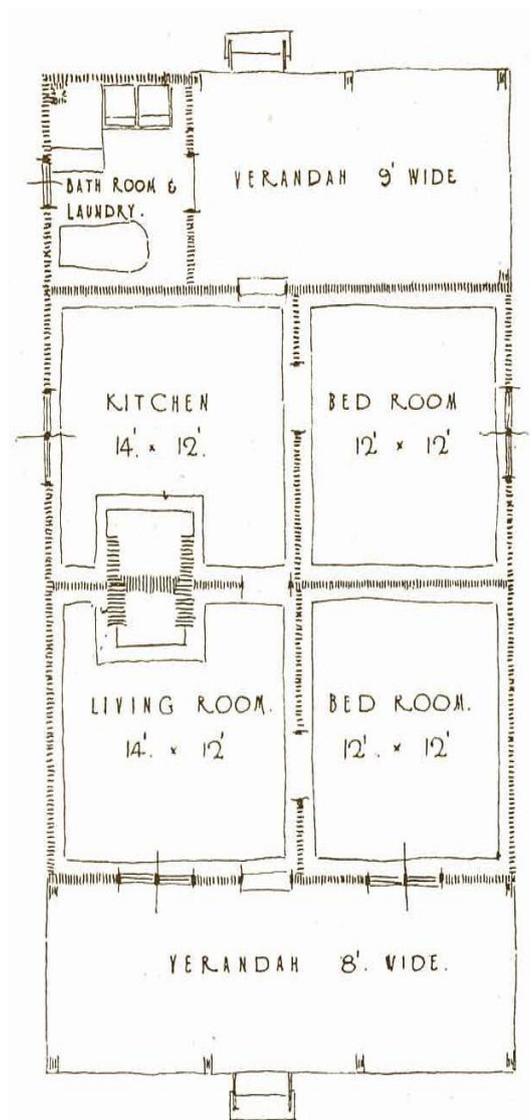
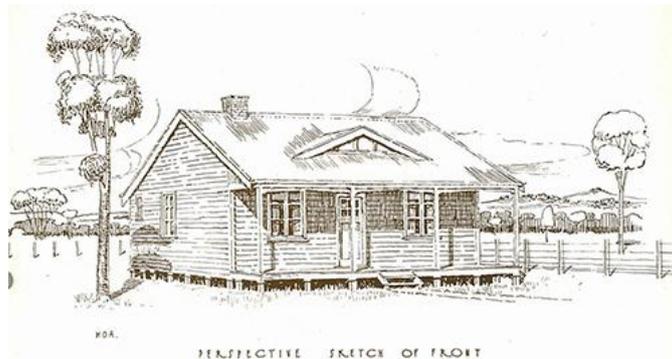
"Under the circumstances, the outstanding arrears must continue to increase until general conditions improve and there is more employment available for applicants."

Despite the Board's efforts, 93 clients were forced to surrender their homes during the Great Depression. With many people becoming homeless, a wealthy businessman named Sir Charles McNess decided to donate money to the establishment of a Housing Trust in 1930.

The Trust was set up by parliament, with a donation of £5,000 from Sir McNess and £15,000 from the Western Australian State Government's Federal unemployment grant.

"The Housing Trust was introduced for the purpose of providing homes for aged indigent people and permanently incapacitated and sick people who, irrespective of the economic

conditions existing, could not afford either to pay a reasonable rental for a home for themselves and their families in any other way," Premier Willcock said, 1937.



A sketch of a McNess Housing Trust weatherboard cottage, 1936. The cottages were coiled and partly lined with four rooms and a cabin chimney, 10ft ceilings and a mandatory verandah out the front and back

“Under the Trust, cottages could be occupied under either of two sections – free life tenure or fee-simple tenure.

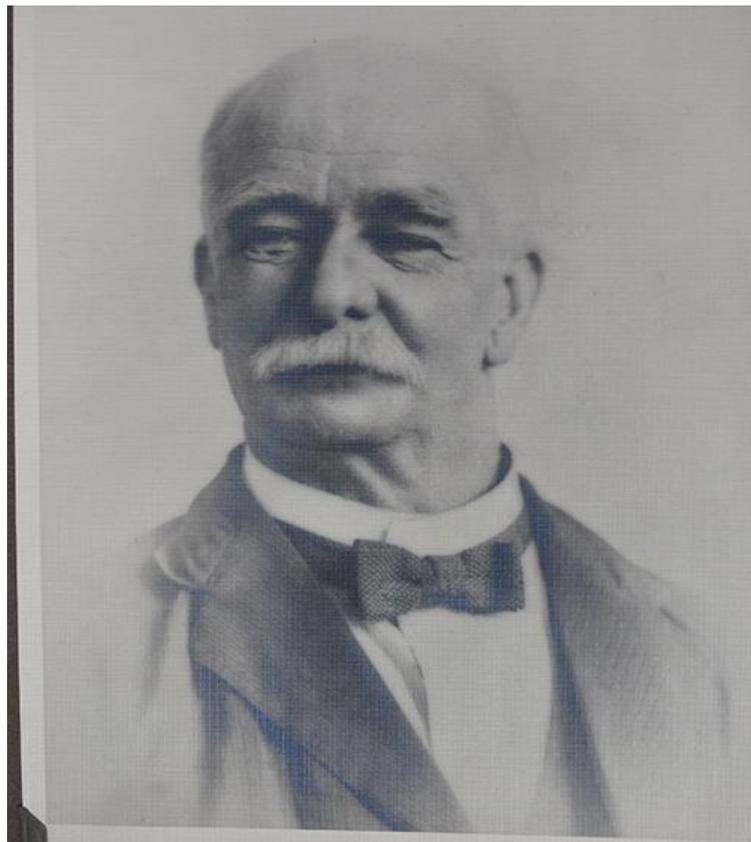
“Under the free life tenure section, approved applicants occupied homes without any payment whatsoever other than water and electricity bills.

“Under the fee-simple tenure section, the applicant purchased the property at its capital cost without interest, making repayments of five shillings per week (approximately \$26 today, based on average earnings).”

Free life tenures were usually only given to people considered to be in extreme hardship such as ‘deserted wives, pensioners and widows’.

“During the year the Trust approved of the conversion of one security from a repayment basis to a free life tenure. The husband in this case left the home owing to domestic differences and the wife and family continued in occupation. In view of their poor circumstances, the Trust cancelled the husband’s contract and granted a free life tenure to the wife,” stated the Board’s Annual Report in 1936.

In 1938, Sir McNess passed away. His donations to the Housing Trust during his lifetime totalled more than £90,000 – a sum more than twice that of the State Government of the time.



Sir Charles McNess

In recognition of Sir McNess’ contribution, the Trust was renamed the McNess Housing Trust in his honour.

The McNess Housing Trust was administered free of charge by the Worker's Homes Board from 1930 to 1968, until it was dissolved into the Board after it was determined they both delivered similar services.

During its operation, 477 houses were built for some of Perth's most neediest families.

Acknowledged by the people of Western Australia as 'lovers of their fellow man', Sir McNess and his wife were praised for their immense generosity which 'is enshrined in the hearts of those who were helped along the highway of life when their feet faltered'.