
Report on Government Services 2018

PART G: RELEASED ON 23 JANUARY 2018

Produced by the Productivity Commission for the Steering Committee for Review of Government Service Provision. The content for this PDF is generated from the online, interactive publication. Data below are the most recent at the time of preparing the report. In some cases, charts and tables may present data for a single jurisdiction. To access data for all jurisdictions and the most current data available, go to: www.pc.gov.au/rogs

Housing and homelessness

Main aims of services within the sector

The main aim of housing and homelessness sector services is to ensure that all Australians have access to affordable, safe and sustainable housing — a vital determinant of wellbeing that is associated with better outcomes in health, education and employment, as well as economic and social participation.¹

Services included in the sector

There are three main areas of government involvement in the housing and homelessness sector:

- [Social housing services](#) >
Subsidised rental housing provided by not-for-profit, non-government or government organisations to assist people who are unable to access suitable accommodation through the private market.
- [Specialist homelessness services](#) >
Direct assistance for people who are homeless or at risk of homelessness, including accommodation and other services.
- **Financial assistance** (private housing) — private rental and home purchase assistance (not covered in the housing and homelessness chapters) as targeted payments to assist access to private housing and reduce demand on social housing and homelessness services.

Detailed information on the equity, effectiveness and efficiency of service provision and the achievement of outcomes for social housing and specialist homelessness service areas is contained in service-specific chapters.

Note: Attachment tables are referenced by table xA.1, xA.2, etc, with x referring to the chapter or overview. For example, table GA.1 refers to attachment table 1 for this sector overview.

✓ [Skip to attachment tables for sector overview](#)

Government expenditure in the sector

Total Australian, State and Territory government recurrent expenditure for social housing and specialist homelessness services was \$4.7 billion in 2016-17 (tables 18A.1 and 19A.1), around 2.1 per cent of total government expenditure on services covered in this Report. The Australian Government share of this expenditure was \$1.7 billion in 2016-17 (table GA.1). Social housing

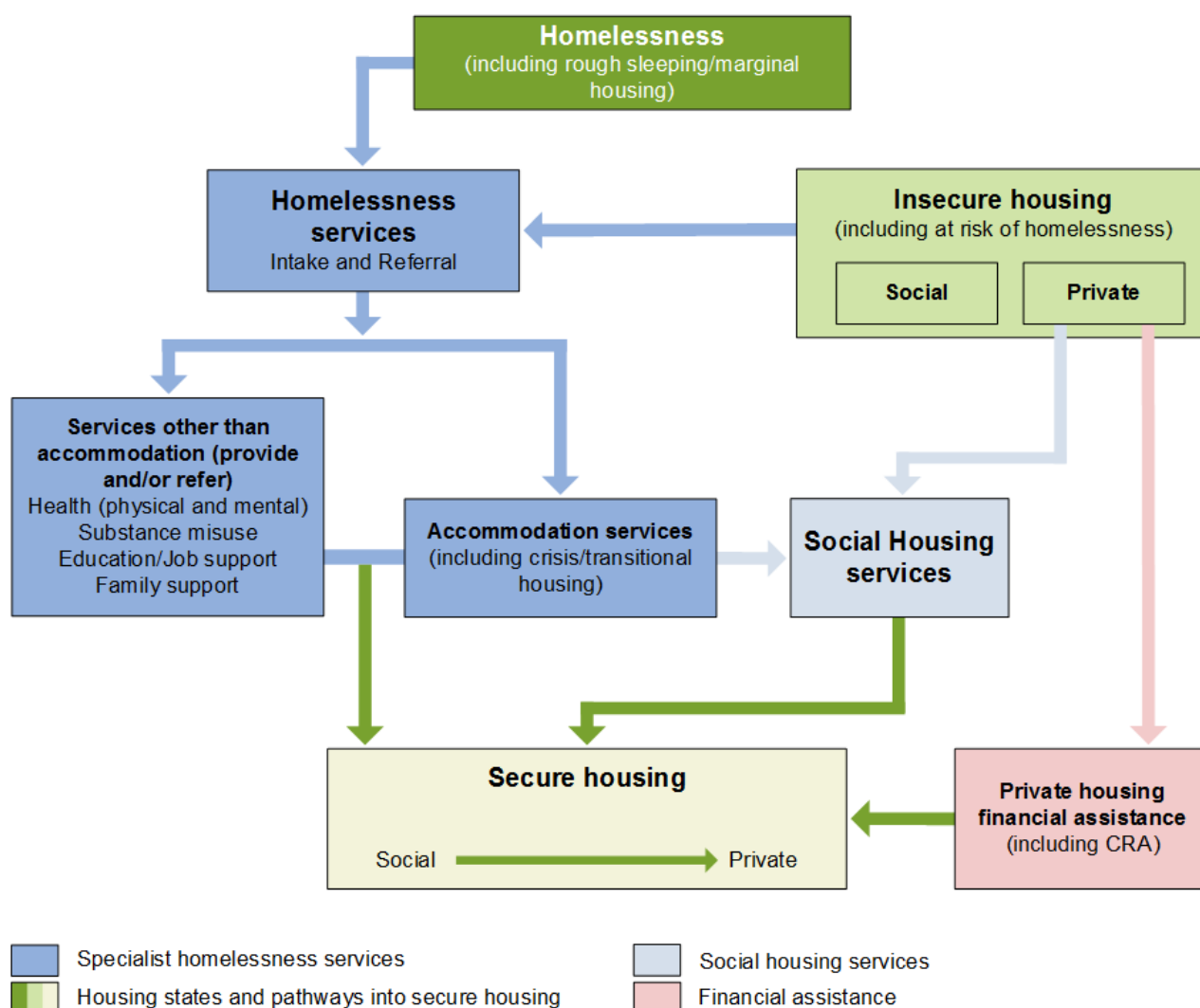
services accounted for \$3.9 billion (table 18A.1) and specialist homelessness services for \$0.8 billion (table 19A.1).

Australian Government expenditure on Commonwealth Rent Assistance (CRA)² — the largest government private rental assistance program — was \$4.4 billion in 2016-17 (table GA.5).

Flows in the sector

Paths into and through the housing and homelessness services sector vary widely (figure G.1). Drivers of housing instability and homelessness include market factors affecting housing affordability and household factors such as adverse personal, social and economic circumstances³.

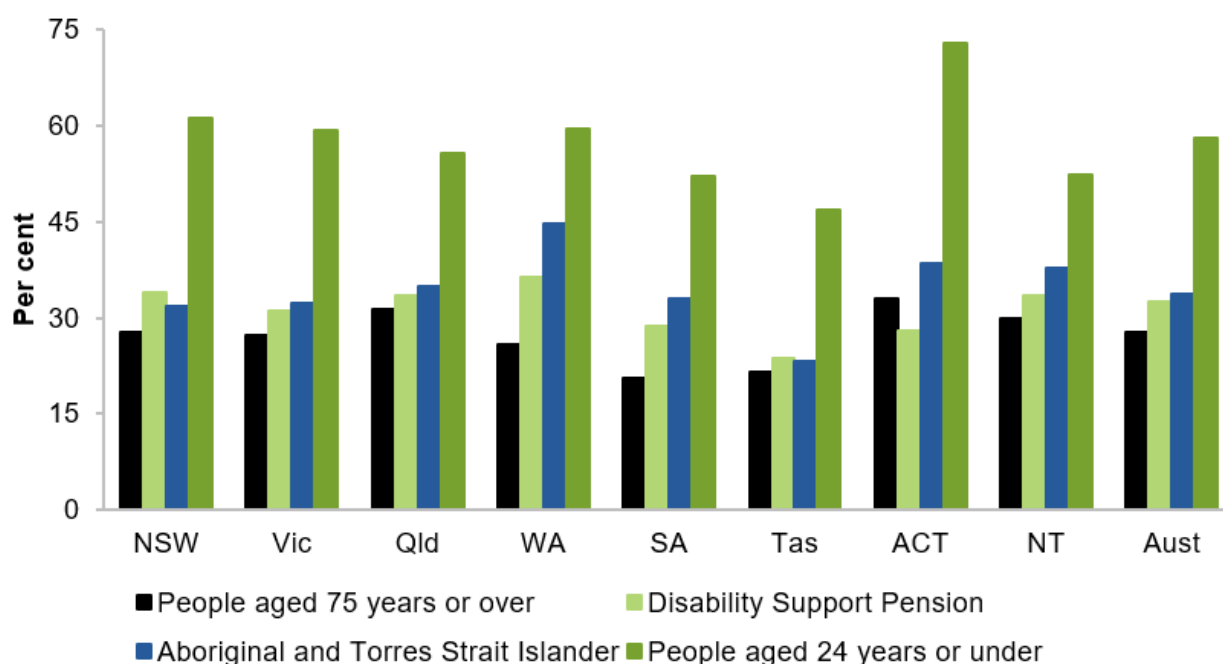
Figure G.1 Role of housing and homelessness sector services in pathways to secure housing



Low income earners are particularly susceptible to housing instability as market factors lead to higher private housing prices. ‘Rental stress’, defined as spending more than 30 per cent of gross household income on rent, is a measure of housing affordability for this cohort. In 2015-16, of the 25.3 per cent of Australian households renting in the private sector, 42.5 per cent were low income households⁴. Of these households, 52.9 per cent experienced rental stress (table GA.3)⁵.

Of low income households that were CRA recipients in June 2017, 68.5 per cent would have experienced rental stress without CRA. With CRA, 41.6 per cent still experienced rental stress (figure G.2, table GA.13). Further information on CRA is presented in tables GA.5–GA.14.

Figure G.2 Proportion of CRA recipient income units with more than 30 per cent of income spent on rent, by special needs group, 2017^a



^a See table GA.13 for detailed definitions, footnotes and caveats.

Source: Department of Social Services (unpublished); table GA.13.

When housing instability cannot be addressed through financial assistance, social housing and/or specialist homelessness services may be needed. Pathways through these closely intertwined service areas vary greatly, often intersecting with other service areas, depending on:

- the mix and complexity of market and household factors driving the need for services
- the current housing or homelessness situation
- the service(s) provided
- the household's capacity to effectively utilise the service(s).

A temporary inability to access or maintain stable housing in the private sector may be addressed for some with the support of short or medium-term services. For others, ongoing housing stability may depend on long-term social housing tenancy. A smaller proportion of service users experience variable but persistent vulnerability to housing instability and homelessness. This is typically associated with a complex mix of adverse social and economic circumstances that affect the capacity of the household to maintain engagement with service providers and effectively utilise services. For the most vulnerable, limited progress toward a less insecure form of housing or homelessness may require a range of service types, and may not be sustained. Further progress may be possible on later re-engagement with service providers.

Factors that increase the risk of homelessness and/or need for social housing can include physical and mental health issues, disability, alcohol and other drug misuse, unemployment, relationship

breakdown and family or domestic violence. For example, reasons for seeking assistance from specialist homelessness services in 2016-17 included mental health, medical issues or problematic substance use for 22 per cent of clients. Interpersonal and relationship issues was a reason for 52 per cent of clients, of whom 58 per cent identified domestic and family violence and/or relationship/family breakdown⁶.

Housing instability and homelessness can in turn increase vulnerability to adverse social and economic circumstances through, for example, poorer outcomes in education, employment and health, and increased risk of involvement with the justice system⁷.

Download attachment tables

These attachment tables relate to the sector as a whole. Data specific to individual service areas are in the attachment tables under the relevant service area.

[Housing and Homelessness Attachment tables \(PDF - 275 Kb\)](#)

[Housing and Homelessness Attachment tables \(XLSX - 127 Kb\)](#)

Note: An errata was released with this part reflecting updates to the files above.

Errata

The following data have changed for Part G: Housing and homelessness sector overview:

Attachment table GA.6

- Amended data for 2013-14 to 2016-17 for expenditure per person in the population

Attachment table GA.11

- Data amended and labels updated for the following rows of data:
 - Disability Support Pension population, as proportion of total population
 - People aged 15–24 years, as proportion of total population
 - People aged 75 years or over, as proportion of total population.

Footnotes

1. Commonwealth Senate Economic References Committee 2015, *Out of reach? The Australian housing affordability challenge*, Canberra.
2. CRA is available to eligible low and middle income earners who receive a Centrelink payment and whose rental costs exceed set minimum amounts.
3. Stone W., Sharam A., Wiesel I., Ralston L., Markkanen S. and James A., 2015. *Accessing and sustaining private rental tenancies: critical life events, housing shocks and insurances*. Australian Housing and Urban Research Institute Limited Final Report no. 259, Melbourne.
4. ABS 2017, *Household Income and Wealth, Australia, 2015–16*, Cat. no. 6523.0, Canberra.
5. Data for all low income rental households (i.e., public and private) are in table GA.2 and show that for all low income rental households the proportion is 44.2 per cent.

6. AIHW 2017, *2016–17 Specialist homelessness services annual web report*.
7. Bevitt, A., Chigavazira, A., Heraldt, N., Johnson, G., Moschion, J., Scutella, R., Tseng, Y., Wooden, M. and Kalb, G. 2014, *Journeys Home Research Report No. 6*, Melbourne: University of Melbourne.