Launch Housing is a Melbourne based, secular and independent community agency formed in July 2015. Launch Housing’s mission is to end homelessness. With a combined history of over 75 years serving Melbourne’s community, Launch Housing provides high quality housing, support, education and employment services to thousands of people across 14 sites in metropolitan Melbourne. Launch Housing also drives social policy change, advocacy, research and innovation.
Background

This document is a Launch Housing overview of the Australian Homelessness Monitor 2018 (the Monitor), which is available in full at launchhousing.org.au/AustralianHomelessnessMonitor

This overview summarises and responds to the Monitor, which was authored by independent researchers at the University of NSW and the University of Queensland.

- Launch Housing has commissioned this report, conducted by independent researchers at the University of New South Wales and the University of Queensland for this first-of-its-kind authoritative insight into the current state of homelessness in Australia.
- The Australian Homelessness Monitor 2018 (the Monitor) is an in-depth, independent longitudinal analysis examining the changes in the scale and nature of homelessness in Australia, as well as how social, economic and policy drivers influence these changes.
- Never before has this type of homelessness research been conducted in Australia by independent researchers. It brings together numerous existing data sets, in addition to in-depth interviews with a wide range of policymakers, service provider representatives and advocacy organisations; as well as an online survey of service providers.
- The Monitor provides a unique look at how both policy action and inaction have impacted on rising levels of homelessness. While the causes of homelessness are complex, the Monitor clearly demonstrates that sound policies and programs can, and do, make a difference.
- The Monitor is designed to inform state and federal government policy to address Australia’s housing crisis.
- The Monitor brings together multiple data sources, interviews and surveys with key stakeholders and homelessness service providers, plus a review of recent economic and policy changes.
- The Monitor is expected to be conducted every two years.
- The Monitor is inspired by the ground-breaking UK Homelessness Monitor commissioned since 2011 by Crisis UK and funded by Crisis and the Joseph Rowntree Foundation.

Definitions

Definitions of homelessness
In the 2016 Australian Bureau of Statistics (ABS) Census of population and housing, a person is ‘homeless’ if their current living arrangement reflects the following:

- is in a dwelling that is inadequate,
- has no tenure, if the initial tenure is short and not extendable,
- or does not allow them to have control of, and access to space for social relations.

The ABS definition of homelessness has six operational groups:

1. persons living in improvised dwellings, tents, or sleeping out (rough sleeping)
2. persons in supported accommodation for the homeless
3. persons staying temporarily with other households
4. persons living in boarding houses
5. persons in other temporary lodgings, and
6. persons living in severely crowded dwellings.

Rough sleeping programs
Some programs that aim to tackle rough sleeping and chronic homelessness include:

Housing First and Street to Home: Similar models based on the principle of providing immediate access to housing with the provision of ongoing support.

Supportive housing initiatives: Initiatives that recognise that some people will need long-term and ongoing support to maintain their tenancies.
Overview of key findings

Australia’s housing crisis is getting worse. State and federal governments are not doing enough to solve the structural causes of homelessness.

- Homelessness in Australia has increased by 14% from 2011 to 2016.
- Rough sleeping has increased by 20% from 2011 to 2016.
- Demand for homelessness services nationwide has increased by 22% from 2011 to 2016.
- Homelessness is outpacing population growth and housing demand is outstripping supply.
- The biggest increase in homelessness is attributed to severe overcrowding.
- Severe overcrowding means no access to personal living space, privacy, or access to safe and healthy kitchen and bathroom facilities.
- People living in overcrowded accommodation increased by 23% from 2011 to 2016.
- Older people age 55-74 are the fastest growing age cohort experiencing homelessness.
- Aboriginal and Torres Strait Islander Australians are 10 times more likely to experience homelessness.
- Domestic and family violence is the most commonly reported reason for needing housing services.
The Solutions

Federal and state coordination
The Australian Government must lead and develop a coordinated policy response to homelessness with the state and territory governments. As shown in the Monitor, we urgently need an alignment of efforts to implement dedicated housing, income support and homelessness policies. Importantly, the Monitor also shows that good policies and programs can reduce homelessness.

Address the causes at a system level
We cannot solve homelessness person-by-person, family-by-family. We must address the causes of homelessness: lack of affordable housing, a growing wealth gap, an inadequate social security system (including reductions in Newstart Allowance and rent assistance), and the breaching of income support recipients.

Employ initiatives that work
We need to build on current success and grow policy measures that reduce homelessness. For example, the successful programs that address rough sleeping, such as Housing First, Street to Home and supportive housing initiatives, should be expanded nationally. However, access to housing is required to make these programs work. For instance, Housing First and Street to Home programs are hard to implement across Australia due to limited social housing stock and a reliance on crisis accommodation (the antithesis to ‘Housing First’).

Focus on prevention
- A greater focus on prevention of homelessness is also required. This Monitor tracks the factors that influence a person’s likelihood to experience homelessness. If we provide a person or family with financial, physical and emotional supports they are less likely to experience homelessness.
- Prevention will require a whole of government approach across multiple policy areas: housing, healthcare, homelessness, education, child welfare, criminal justice, and employment support.
- While the causes of homelessness are wide-ranging, the economic and social benefits of focussing on preventing homelessness are also wide-ranging. Our current homelessness policy is too focussed on services for people experiencing a housing crisis. There are not enough interventions to prevent homelessness or address the causes of homelessness.

Adequately invest in housing supply
There is a failure to invest adequately in the supply of affordable and social housing across Australia. The federal government must lead the urgent investment in affordable and social housing to address the current shortfall of 500,000 houses. The establishment of the National Housing Finance and Investment Corporation is an important reform that should increase affordable housing. However, it will not provide a sufficient subsidy to increase the level of social housing.
Homelessness in Australia has recently been rising well ahead of population growth. Between 2011 and 2016, homelessness increased by 14% nationally whereas the population has grown by 9%. There have been marked contrasts in recent homelessness trends across Australia. Sydney saw an increase of 48% over this period – more than three times the national increase.

Figure 1: Change in number of homeless people by capital city, 2011-2016

Source: Research team calculations based on ABS Census 2016 data
Across Australia 8,200 people are sleeping rough, living in improvised dwellings such as tents, on a given night, as shown in the graph right. This, the starkest form of homelessness, saw a 20% increase over the 2011 figure nationally. With the exception of Tasmania, increases were recorded in all states and territories.

Source: 2016 ABS Census. Notes: 1. ABS category: ‘Persons living in improvised dwellings, tents, or sleeping out’ treated as proxy for ‘rough sleepers’. 2. ACT excluded on account of small absolute numbers – albeit a large percentage increase over the period: from 28 to 54 people.

Severe overcrowding was the largest group

As shown in the graph to the right, persons living in severely overcrowded dwellings was the largest group defined as homeless, increasing by 23% in the five years to 2016.

Severe overcrowding refers to dwellings which need four or more extra bedrooms to accommodate residents of the household adequately. There has been a doubling in the number of persons born overseas living in extreme overcrowding in Sydney and Melbourne. Indigenous households (usually in rural and remote areas) also experience high rates of extreme overcrowding. NSW and Victoria stand out as the states in which this problem expanded most rapidly – by 74% and 48%, respectively.

Source: 2016 ABS Census.
Indigenous Australians are grossly over-represented in homelessness with the rate 10 times that of the non-Indigenous population. The national rates of homelessness per 10,000 population in 2016 were 361 for Indigenous Australians and 38 for non-Indigenous Australians. There has been a disproportionate increase in rough sleeping for Indigenous persons as shown in the adjacent graph.


Older Australians increasingly experience homelessness

The burden of homelessness is unevenly borne by particular groups in Australian society. Older people in the 55-74 bracket are the fastest growing cohort within the overall homeless population. In the decade to 2016, this group grew by 55%, compared to an increase of 30% for all age groups.

Source: ABS Census

Figure 4: Changing age distribution of homeless cohort, 2006-2016

Figure 5: Changing profile of rough sleepers, 2011-2016
Increased demand for homelessness specialist services

Homelessness specialist services like Launch Housing provide a valuable service for many people at immediate risk of homelessness. During 2011-16, demand for homelessness services grew by 22% nationally, representing a higher growth rate than the 14% increase in homelessness. There are two sets of data important to understanding homelessness: one is a static picture of homelessness (ABS) and one is a dynamic picture of homelessness (AIHW). Comparing the two helps paint a holistic picture of what is happening.

The ABS Census is the key source of point-in-time data conducted five-yearly that counts those experiencing homelessness. The AIHW data provides more in-depth, regular critical information about those people who access specialist homelessness services over a 12-month period.

Main reasons for seeking assistance

Housing crisis, which includes things such as evictions as well as foreclosure and rental arrears, as an immediate cause of homelessness has been rising rapidly, increasing by 32% over the two years to 2016-17.

In particular, the number of homelessness service users subject to domestic violence has been rising faster than the general increase in the rate of service users. Of the 288,000 service users presenting to homelessness agencies in 2016-17, 115,000 (40%) reported that domestic violence was a factor in their case.
Causes of homelessness are complex

The causes of homelessness are complex, with no single trigger. Individual, interpersonal and structural factors all play a role – and interact with each other. However, the Monitor shows the overall changing level of homelessness is an outcome of socio-economic and housing market trends.

Poverty is a key contributor

Poverty underpins the risk of homelessness and can lead to an increase in factors that influence pathways into homelessness. Housing costs can impact poverty levels for low income households, and exacerbate the risk of becoming homeless. In particular, there are substantial poverty rate differences (after housing costs) between those mainly reliant on a social security payment due to the type of payment received, as shown in the following graph.

Figure 8: Incidence of income poverty (after housing costs), 2013-14 – selected groups

Source: Australian Council of Social Service (ACOSS) 2016 Table 4

Notes: 1. Percentages of individuals in households below poverty lines set at 50% of median before housing costs (BHC) and after housing costs (AHC) income, 2007-08 basis. 2. Identified groups not mutually exclusive
Housing demand outstrips supply

Changes in housing market conditions are liable to have a stronger and more immediate impact on homelessness rates than other economic trends. Lower income renters have experienced increased pressure in the past decade. Housing affordability stress among lower income renters has tended to increase much more substantially in capital cities than in regional Australia – although this may be to some extent a Sydney/Melbourne effect. A particularly notable trend in this graph is the steeply continuing rise in the incidence of rental stress among lower-income renters in Western Australia.

There are ongoing changes in the structure of Australia’s private rental market as lower rent housing supply continues to dwindle. There is a shrinking supply of lower price rental properties for lower income groups, which places many at risk of homelessness and erodes the capacities of already-homeless people to recover from their situation.

Changes in income support measures

There has been a sharp rise in the numbers of people receiving Newstart Allowance (NSA), as the following graph shows.

This is due, in part, to successive government policies that have tightened eligibility for Disability Support Pension (DSP) and some changes in conditions for (Single) Parenting Payments. Many recipients have been transferred to a lower payment (and more stringent participation requirements) associated with the Newstart Allowance. Newstart recipients receive $341 per fortnight less than the equivalent DSP payment, a rate inadequate when private rents are increasing.
Income payment penalties

Governments have imposed increasingly restrictive compliance conditions to those on Newstart Allowance. This means recipients are at greater risk of being penalised for things like missing appointments or activities, meaning they are more likely to have their income support cut or restricted. This puts them at risk of homelessness. There has been a fivefold increase in the number of benefit sanctions recorded between 2011 and 2016; these can involve complete cessation of payments when a claimant breaches Centrelink conditions. For people on low-incomes, such penalties are likely to have a significant negative impact on their overall financial circumstances.

![Figure 11: Number of quarterly payment suspensions, 2012-2017](source: Job seeker compliance data, Department of Employment, data.gov.au website. March 2012 to March 2017)

Domestic violence

There are significant links between homelessness and domestic violence. At the same time, there has been an increase in the reported incidences of domestic violence in recent years, as evident in the adjacent graph.

![Figure 12: The changing incidence of recorded domestic/family violence in NSW and Victoria, 2012-2017](source: NSW Bureau of Crime Statistics Analysis and Research (2017); Victoria Crime Statistics Agency (2017))
Policies to address homelessness

Housing, welfare and employment support policy and homelessness programs represent significant opportunities to demonstrably reduce homelessness, and improve the housing and life outcomes of people who are homeless, or at risk of homelessness.

Housing policy

There is a policy failure to invest adequately in the supply of affordable and social housing across Australia. At both Commonwealth and state/territory levels a policy stance that reflects a reliance on market-provided affordable housing has arguably constituted a key driver of rising homelessness in Australia. It is affordable housing policy inaction that has been a critical contributor to the problem.

While there has been some small-scale effective policy by some State Governments (Queensland, Victoria and NSW), there is an important leadership role for the Australian Government to take in securing an increased supply of social and affordable rental housing. While the delivery of social and affordable housing is primarily a state/territory responsibility, the Commonwealth Government can play an important role in terms of policy leadership and funding for new supply.

Unless governments bring forward new programs to increase supply well in excess of what is currently committed, the limited supply of housing (including social housing) places many at risk of homelessness and erodes the capacities of already-homeless people to recover their situation.

Figure 13 clearly shows that investment in social housing stock has been dormant for a number of years, with only meagre investment reflected in the last couple of years. It remains woefully inadequate, unable to even keep pace with a growing population.

Figure 13: Relative change in population and social housing provision, 2012-2017

Sources: Productivity Commission Report on Government Services 2018 [Table 18A.3]; ABS Cat 3101.0.
Income support policy
The cost of rent has outstripped the Consumer Price Index (CPI). The failure to adequately index Newstart Allowance payments has been progressively increasing the homelessness vulnerability of eligible recipients. While most households reliant on Newstart already live below the poverty line, their predicament is likely to deteriorate still further over time if rates remain indexed to the Consumer Price Index (CPI, or general price inflation). Likewise, the Commonwealth Rent Assistance (CRA) is also indexed to the CPI, not to the actual cost of renting. According to the Productivity Commission, the real value of CRA has fallen more than 15% behind the level of rent increases since 2000. Over the past 10 years, more lower income renters have experienced rental stress, paying more than 30% of their income on housing.

Homelessness policy
There is a suite of well evidenced policy measures that can effectively address rough sleeping. Housing First, Street to Home and ‘supportive housing’ initiatives are the most direct forms of state/territory government-supported intervention that aim to tackle rough sleeping and chronic homelessness. There have also been positive interventions to domestic violence by some governments. However access to housing is required for these programs work. For instance, Housing First, Street to Home and ‘supportive housing’ programs are difficult to implement because of limited social housing stock, a reliance on crisis accommodation, and limited resourcing and institutional arrangements to enable the ongoing delivery of support services to people post-homelessness.

Official statistics on homelessness services expenditure by federal and state governments show an increase in recent years. This trend, however, has coincided with declining capital investment in the social housing sector. While expenditure on emergency homelessness services rose by 29% in the four years to 2016-17, investment in longer term accommodation that can – for many – provide a lasting solution fell by 8%.

"Figure 14: Recent change in homelessness services expenditure and social housing capital investment, 2012-17"

Between 2012-13 to 2016-17
Spending on specialist homelessness services increased by 29%

while Spending on social housing dropped by 8%
What service providers say

Homelessness service providers across Australia were surveyed for the Monitor. Their verbatim comments further illustrate why we must act now.

“Finding properties that are affordable for single people who are unemployed is extremely difficult.” (NSW metro and non-metro provider)

“[There is] less chance of getting clients into motels, caravan parks or temporary accommodation.” (Vic non-metro provider)

“Caravan parks in our area no longer take longer-term residences, they cater to ‘grey nomads’. Pubs that previously housed clients are now boutique pubs.” (Vic non-metro provider)

“Clients are presenting with many more issues which services and accommodation providers are not willing to engage with.” (Vic non-metro provider)

“There are longer waiting lists for public housing.” (Vic non-metro provider)

“A number of mothers are having difficulties with the changes to Newstart once their youngest child turns 8.” (ACT provider)

“There is a punitive approach to income support. People are often left without payments, or waiting for payments. People who don’t comply [with Centrelink requirements] are cut off from payments.” (Vic metro and non-metro provider)

What you can do

It’s time to end homelessness, and here’s how you can help.


2. Donate to Launch Housing to support its innovative programs and initiatives at launchhousing.org.au/donate-now/

3. Join the campaign for housing solutions for all Australians www.everybodyshome.com.au
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