

Report on Government Services 2019: Housing and Homelessness Services Sector Overview

Shelter SA Research Summary

The Australian Government has released its <u>Report on Government Services from 2017-18 for the housing and homelessness sectors</u>. The three main areas of government involvement in the housing and homelessness sector include social housing services, Specialist Homelessness Services, and financial assistance. Shelter SA staff have highlighted the South Australian data from the Report in the summary below.

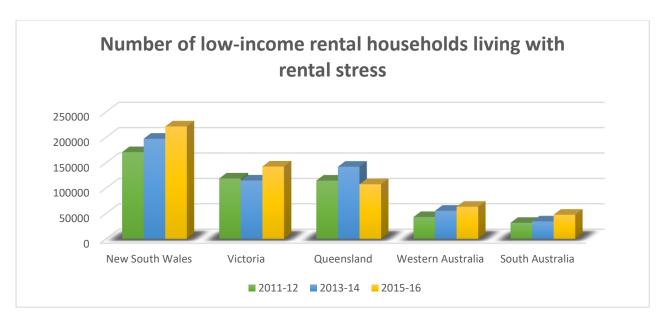
National Affordable Housing Agreement Expenditure

The total Australian Government expenditure related to the National Affordable Housing Agreement (NAHA) was \$121.2 million for South Australia and was the third lowest expenditure compared to the other States and Territories. Queensland received the highest amount of funding in relation to the NAHA at \$488.3 million, and ACT was the lowest at \$24.4 million. Within the NAHA total payment, South Australia received the smallest amount of funding for Remote Indigenous Housing (\$17.3 million) of participating States.

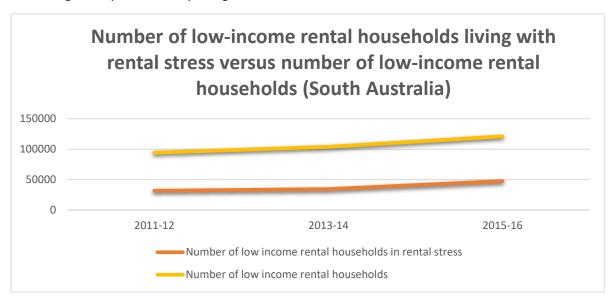
Low-Income Rental Households

Looking at the proportion of South Australian low-income rental households living with rental stress, the number has almost doubled from 2007-2016. In 2007-2008, around 22.4% of low-income households in our State were living with rental stress, compared with 39.4% in 2015-16. There were 31,644 households living with rental stress in 2011-12 versus 47,648 in 2015-16. That is over 16,000 more households in South Australia that do not have affordable and secure housing in the private rental market. The number of low-income rental households in total has also massively increased over the last decade. In 2011-12 there were 94,176 households living on low incomes in the private rental market; in 2015-16, there were 121,006. We believe that a lack of social and affordable housing leaves many people with no choice but to turn to the private rental market. An increased demand on low cost rentals also drives up the prices, making it even more unaffordable for those who desperately need housing.

As shown below, when looking at New South Wales, Victoria, Queensland, Western Australia and South Australia, the number of low-income rental households living with rental stress has grown since 2011 (with the exception of Queensland).



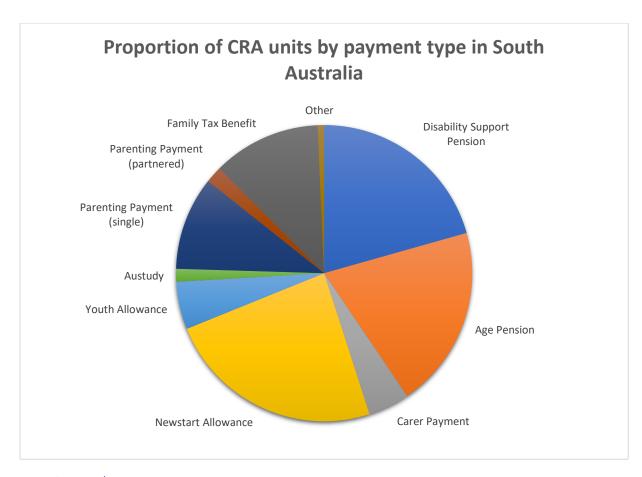
As shown by the graph below, both the number of low-income rental households living with rental stress, and the number of total low-income rental households in South Australia are steadily increasing side by side as the years go on.



In terms of National data, nearly 100,000 more Australian households living on low incomes in the private rental market are living with rental stress, and the total number of low-income rental households has increased from 1,232,947 to 1,355,361. With increasing house prices and decreasing stock of community and public housing, vulnerable Australians have no choice but to look elsewhere for housing.

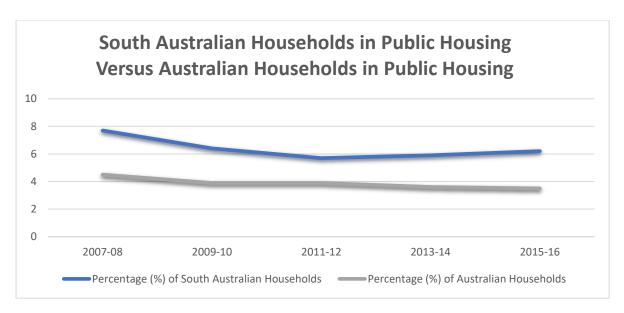
Commonwealth Rent Assistance

Australian Government expenditure for Commonwealth Rent Assistance (CRA) has risen dramatically for South Australia, from \$302.8 million in 2013-14 to \$338.5 million in 2017-18. The majority of CRA recipients are single with no dependant children, and the second largest cohort of CRA recipients are single with 1 or 2 dependant children. The majority of CRA recipients are receiving Newstart (23.8%), Disability Support Pension (20.6%) or the Age Pension (19.9%). The percentage of South Australians receiving CRA at 74.5% are living in major cities, as opposed to regional and rural areas.



Housing and Tenure

Looking at National data from 2007-2016, home ownership has decreased from 68.3% of the Australian population to 67.5%. The percentage of Australians renting in the private market has increased from 23.9% to 25.3%. The number of public housing tenants has decreased, going from 4.5% to 3.5%. These shifts in tenure type reflect Shelter SA's view that increasing house prices coupled with a lack of social and affordable housing options, mean that more families living on low incomes are being pushed into unaffordable rentals in the private market as a last resort. Many of these families are living with rental stress but are unable to find other housing options. As shown by the graph below, the percentage of South Australian households in public housing has always been above the National percentage. However, there is a sharp decline in public housing tenants in South Australia especially between 2007-2012.



The percentage of South Australians residing in community housing from 2011-2016 has not changed, with 1.1% of the population living in this tenure type. These figures are above the Australian percentage of 0.7% in 2011, and 0.6% in 2016.