
Report on Government Services 2022

PART G: RELEASED ON 25 JANUARY 2022

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

G Housing and homelessness

Impact of COVID-19 on data for the Housing and homelessness sector

COVID-19 may affect data in this Report in a number of ways. This includes in respect of actual performance (that is, the impact of COVID-19 on service delivery during 2020 and 2021 which is reflected in the data results), and the collection and processing of data (that is, the ability of data providers to undertake data collection and process results for inclusion in the Report).

Social distancing restrictions implemented during 2020 and 2021 are likely to have had an impact on the housing and homelessness services sector. Any impacts which are specific to the service areas covered in this Report are noted in sections 18 and 19. For the Housing and homelessness sector overview, income support and rent freezes due to the impacts of COVID-19 are associated with a reduction in the proportion of CRA recipients experiencing rental stress at end June 2020 and an increase in CRA expenditure in 2020-21.

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 participation¹.

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 assistance 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 sections.

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

Government expenditure in the sector

Total Australian, State and Territory government recurrent expenditure for social housing and specialist homelessness services was \$5.7 billion in 2020-21 (tables 18A.1 and 19A.1), around 1.9 per cent of total government expenditure on services covered in this Report. The Australian Government share of this expenditure was \$1.7 billion in 2020-21 (table GA.1). Social housing services accounted for \$4.5 billion (table 18A.1) and specialist homelessness services for \$1.2 billion (table 19A.1).

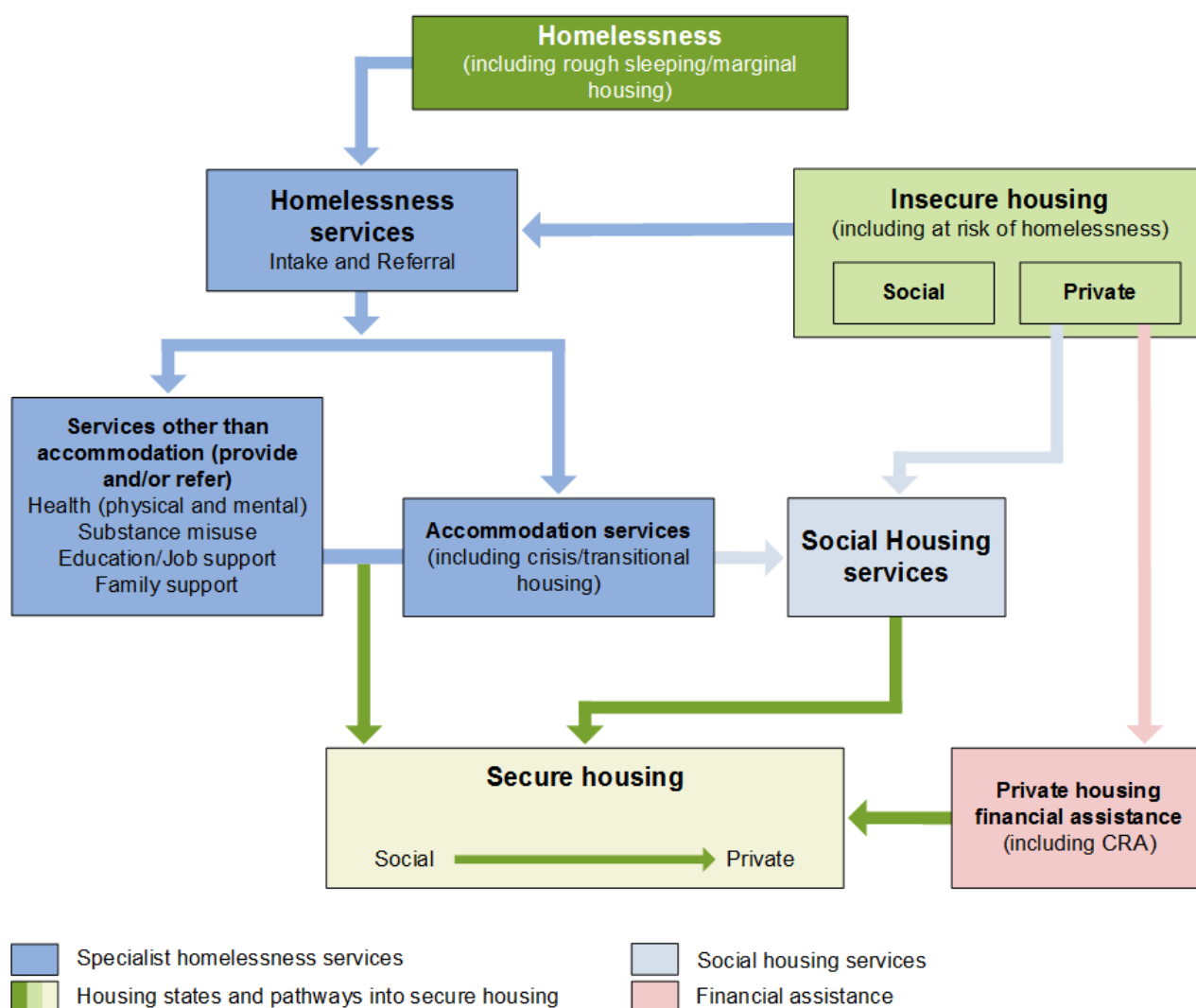
Australian Government expenditure on Commonwealth Rent Assistance (CRA)² — the largest government private rental assistance program — was \$5.3 billion in 2020-21 (table GA.5).

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.

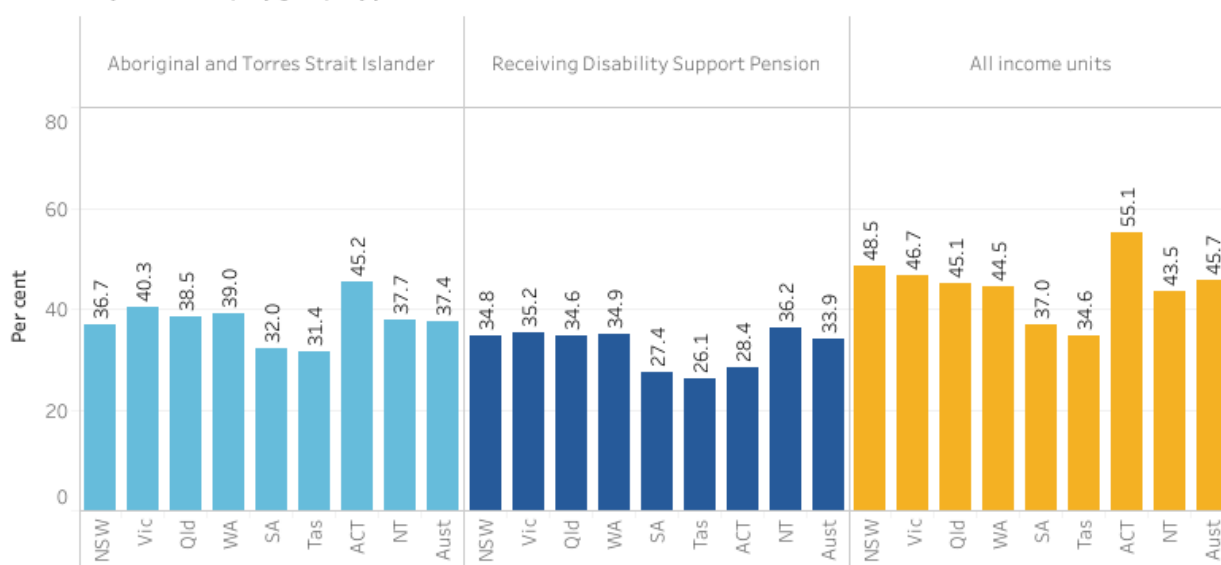
Figure G.1 Role of housing and homelessness sector services in pathways to secure housing



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 2017-18, of the 27.1 per cent of Australian households renting in the private sector, 43.4 per cent were low income⁴. Of these households, 50.2 per cent experienced rental stress – largely unchanged over the past 10 years (table GA.3)⁵.

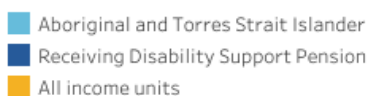
Of low income households that were CRA recipients at end June 2021, 72.5 per cent would have experienced rental stress without CRA (table GA.13). With CRA, 45.7 per cent still experienced rental stress (figure G.2). Further information on CRA is presented in tables GA.5–GA.14.

Figure G.2 Proportion of income units receiving CRA at end June, 2021, paying more than 30 per cent of income on rent by selected equity group, by jurisdiction



Source: table GA.13

Data tables are referenced above by a 'GA' prefix and all data (footnotes and data sources) are available for download from the supporting material below (both in Excel and CSV format).



Select equity group(s):

- Aboriginal and Torres Strait Islander
 Receiving Disability Support Pension
 With family member aged 24 years or under
 With family member aged 75 years or over
 All income units

Select year

(applicable to 'All income units' only):
2021



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 2020-21 included mental health, medical issues or problematic substance use for 25.7 per cent of clients. Interpersonal and relationship issues was a reason for 53.8 per cent of clients, of whom 73.3 per cent identified domestic and family violence⁶.

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 data tables


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

[Housing and Homelessness sector overview data tables \(XLSX - 91 Kb\)](#)

[Housing and Homelessness sector overview dataset \(CSV - 86 Kb\)](#)

See the Sector overview text and corresponding table number in the data tables above for detailed definitions, caveats, footnotes and data source(s).

Footnotes

1. Commonwealth Senate Economic References Committee 2015, *Out of reach? The Australian housing affordability challenge*, Canberra.
2. CRA is available to recipients of an eligible social security payment, Family Tax Benefit Part A (paid at more than the base rate) or an eligible veterans' affairs payment, and whose private or community housing 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 2019, *Household Income and Wealth, Australia, 2017-18*, Cat. no. 6523.0, table 1.4, Canberra.
5. Data for all low income rental households (i.e., public and private) are in table GA.2 and show that the proportion of all low income rental households paying more than 30 per cent of their income on rent is 43.1 per cent.
6. AIHW 2021, *Specialist homelessness services annual report 2020-21* [Specialist homelessness services annual report 2020-21, Summary - Australian Institute of Health and Welfare \(aihw.gov.au\)](#)  (accessed 7 December 2021).
7. Bevitt, A., Chigavazira, A., Herault, 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.