

Housing Affordability and Homelessness in the ACT

Accessible, affordable, safe and secure housing provides the necessary foundation from which people can actively meet their social, physical and emotional needs.

ACTCOSS has three key asks in relation to housing affordability and homelessness:

- That government continue to provide funding for accommodation and support services to enable them to meet demand
- That government address housing supply and increase accessible and affordable housing in the ACT
- Develop whole-of-government responsibility for homelessness which includes reporting requirements and minimum funding requirements for each ACT Government directorate.

See also our [ACT 2018-19 Budget Submission](#) and our joint submission with ACT Shelter [Towards a New Housing Strategy](#).

Quote us ►: “Finding an affordable, accessible, safe and secure home is the cornerstone for a connected and contributing life. It provides a foundation from which to participate both economically and socially in the life of our city. It is also a critical social determinant of physical health and social and emotional wellbeing.

“Yet here we see compelling data which shows that there is almost no housing in this city which is affordable to anyone on any kind of income support or a minimum wage. It also shows that the lack of affordable private rental is the real problem especially in the bottom two quintiles, but also extending outwards to cover single working parents and students. Data which shows that up to a third of low income households in the ACT are experiencing housing stress should concern us – it’s a strong sign that people need to compromise on the basics like food, healthcare, education expenses, dental and transport just to survive.

“On average, people wait nearly three years for a standard public housing property in our city and outside of that option we have a lack of appropriate, affordable and accessible built form for anyone who is not on high incomes or who needs adapted, accessible or visitable housing.

“A third of people experiencing or at risk of homelessness in the ACT in the last financial year did not have their need for accommodation met. In a city which prides itself on human rights and inclusion this is unacceptable.”

Susan Helyar, Director, ACTCOSS

Affordable private rental in the ACT

Affordability and availability are critical issues for people on low income in the private rental market. Nationally, there is a shortfall in supply of affordable private rental dwellings for low income renters as many affordable dwellings are rented by people on higher incomes.ⁱ This has also been identified as contributing to a shortfall of affordable private rental housing in the ACT.ⁱⁱ The significance of this shortfall is highlighted in the Rental Affordability Index (RAI) and Anglicare Australia's Rental Affordability Snapshot.

The May 2018 release Rental Affordability Index found that **low income households in the ACT face particularly unaffordable rents** – Canberra was second least affordable area for almost all lower income household types behind Greater Sydney.ⁱⁱⁱ

Rental Affordability Index scores for lower income households, Australian Capital Territory, Quarter 4, 2017^{iv}

Household Income Type	RAI Score	Rent as a share of income	Relative unaffordability
Single person on benefits	28	109%	Extremely unaffordable rents
Single pensioner household	42	71%	Extremely unaffordable rents
Single part-time worker parent on benefits	52	58%	Severely unaffordable rents
Pensioner couple household	67	45%	Severely unaffordable rents
Hospitality worker	80	38%	Unaffordable rents
Student share house	92	33%	Unaffordable rents
Minimum wage couple household	97	31%	Unaffordable rents
Single income couple with children	116	26%	Moderately unaffordable rents
Single full-time working parent	129	23%	Acceptable rents
Dual income couple with children	233	13%	Affordable rents

Anglicare Australia's 2018 Rental Affordability Snapshot found that **out of 1,176 rental properties only 41 were suitable to households living on income support payments and only 84 were suitable for households living on the minimum wage.**^v There were no rental properties that were affordable and appropriate for many other low income households.

The energy efficiency of rental properties can also have a significant impact on their affordability. Better Renting's analysis of the energy efficiency of ACT rental properties found that **over two in five rental properties in the ACT (43%) with Energy Efficiency Ratings (EERs) had an EER of 0**, compared with only 4% of properties for sale.^{vi} Renters of these properties face higher energy costs – it is estimated that **in a property with an EER of 0 it would cost approximately \$1,800 a year to achieve the same thermal comfort as an equivalent property with an EER of 2.**^{vii}

Housing stress in the ACT

Research by the ACT Government estimated that of the 150,000 households in the ACT, around 7,000 households (4.6%) within the lowest two income quintiles (those earning the lowest 40% of income) are experiencing housing stress – this accounts for just under a quarter (23.3%) of low income households in the ACT.^{viii} Other data suggests this proportion might be higher. **In 2015-16, 33.8% (8,672) of low income rental households in the ACT were in rental stress.**^{ix} This rate was significantly higher for private rental households (47.8%, 7,960).^x

As at 30 June 2017, there were 11,092 income units in the ACT receiving Commonwealth Rent Assistance, with 84.6% eligible for maximum assistance.^{xi} **Of those Canberra households receiving Commonwealth Rent Assistance, 48.0% were still in rental stress.**^{xii}

Social housing in the ACT

In the ACT, social housing includes public housing, mainstream community housing and affordable housing.^{xiii} It offers low cost housing for people on low and moderate incomes, and/or for groups whose housing needs are not adequately met in other forms of housing. There is currently no Aboriginal and/or Torres Strait Islander community housing in the ACT.

Public housing is owned and managed by the ACT Government through Housing ACT and is spread across most suburbs of the ACT. Public housing tenants pay either 25% of their income in rent, or 25% of the market rent for that property, depending on which is lower. **Community housing** is managed by community housing providers who may own the property or manage it on behalf of ACT Government. Most community housing tenants pay the same rent as public housing tenants, while some may pay a maximum of 74.9% of market rent.

In 2017, there were 11,910 social housing dwellings in the ACT, with 11,077 public housing and 833 community housing dwellings.^{xiv} **As at 30 June 2016, there were 24,647 tenants in public (23,665) and community (982) housing.**^{xv}

As shown in the table below, there were 1,703 applications with ACT Housing for public housing as at 6 March 2018. **On average, applicants for standard public housing in the ACT are waiting 2.7 years for a property.**

Housing ACT Waiting List as at 6 March 2018^{xvi}

Application Category	Number of Applications	Average Waiting Time (days)
Priority housing	27	346
High needs housing	854	638
Standard housing	822	972
Total	1,703	N/A

Homelessness in the ACT

The Australian Bureau of Statistics (ABS) statistical definition of homelessness is that when a person does not have suitable accommodation alternatives they are considered homeless if their current living arrangement:

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

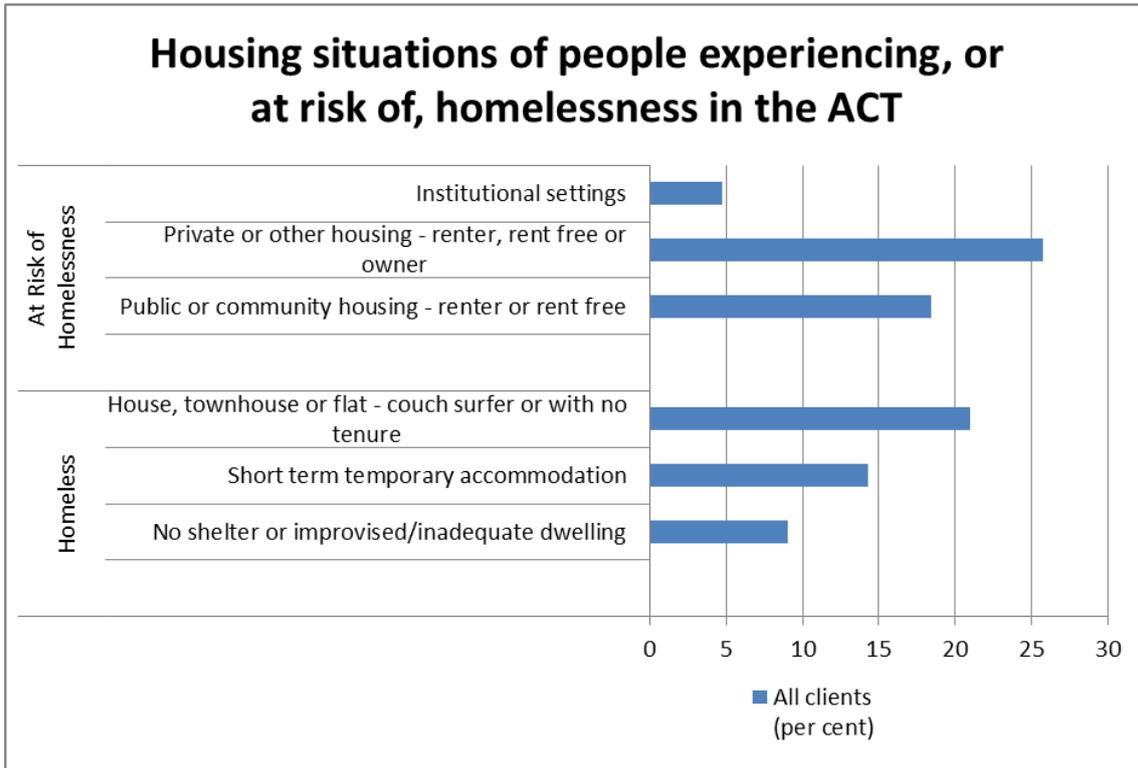
On Census night in 2016, 1,596 people were counted as experiencing homelessness in the ACT, down from 1,738 in 2011.^{xviii} Of these, 54 people were rough sleeping, up from the 28 people counted in 2011. For every 10,000 people in the ACT 40.2 people were homeless – this was below the national rate (49.8) and down from the 2011 ACT rate (48.7), however, this is still significantly higher than the ACT homelessness rates reported in 2001 (30.4) and 2006 (29.3). The 2016 Census recorded a higher proportion of males (60%) than females (40%) experiencing homelessness.

In 2016-17, ACT specialist homelessness services assisted 4,585 clients, of whom 46.1% (2,053) were homeless – this was higher than the national rate (44%).^{xix} In contrast to the 2016 Census figures, more specialist homelessness services clients experiencing homelessness were female (54.1%, 1,111) than male (45.8%, 941).

On any given day in 2017, 42 specialist homelessness services in the ACT were supporting over 1,500 clients.^{xx} Over recent years there has been a decline in the number of specialist homelessness services clients in the ACT. From 2011-12 (5,602) to 2016-17 (4,585) there was an average annual decline of -3.9%, compared to a national average annual increase of 4.0%.^{xxi} However, there remains a significant level of unmet need among clients seeking accommodation. **In 2016-17, for 32.6% (1,084) of clients needing accommodation, that need was unmet.**^{xxii} There has, however, been a downward trend in unmet need since 2012-13 when the proportion was 36.7% (1,510).

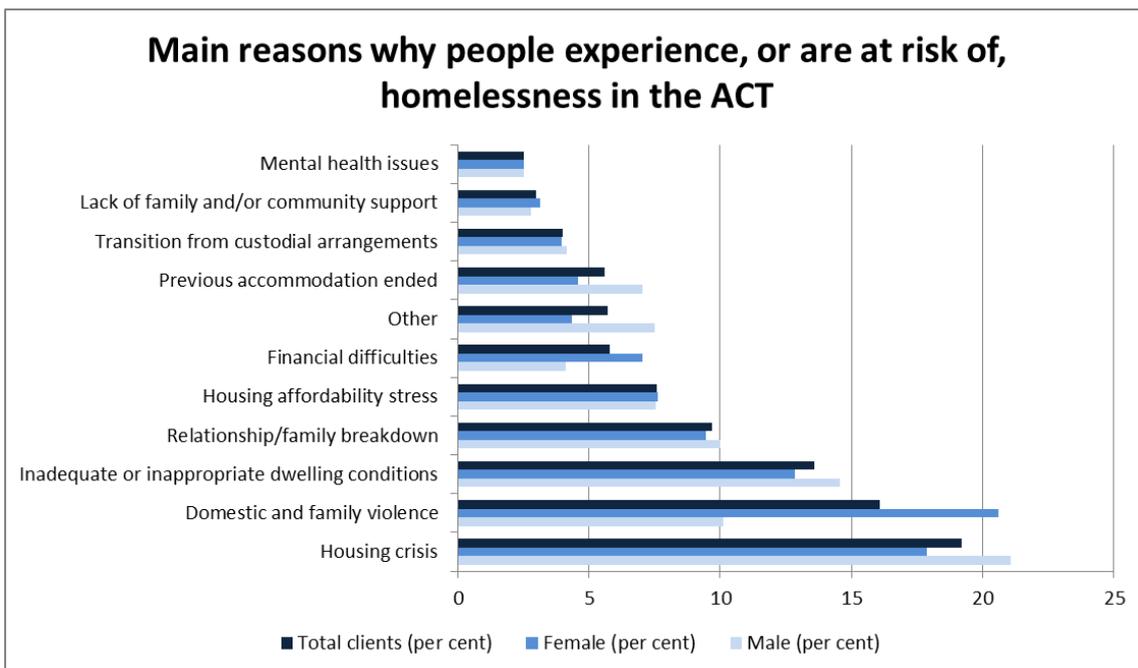
What are the housing situations of people experiencing homelessness in the ACT?

In 2016-17, over a quarter (26%) of ACT specialist homelessness services clients who were at risk of homelessness were living in private or other housing as a renter, rent free or owner (see chart below).^{xxiii} Of those clients experiencing homelessness, over one fifth (21%) were couch surfing or had no tenure. Just under one in ten clients (9%) were rough sleeping with no shelter or improvised/inadequate dwelling.



Why do people experience homelessness in the ACT?

In 2016-17, **housing crisis was the most common reason for people experiencing homelessness in the ACT (19%)** (see chart below).^{xxiv} This was closely followed by domestic and family violence (16%). **Domestic and family violence and relationship/family breakdown were the major reason for over a quarter (26%) of all clients.** Domestic and family violence was the most common reason for women seeking assistance from specialist homelessness services in the ACT.



Who is most affected by housing stress and homelessness?

Aboriginal and/or Torres Strait Islander people account for 1.6% of the ACT population and are significantly over-represented in our homelessness statistics.^{xxv} **Of all clients who had experienced homelessness at some time in 2016-17, 18.2% (533) were Aboriginal and/or Torres Strait Islander people.**^{xxvi}

People with mental health issues and people experiencing domestic and family violence had the next highest specialist homelessness services client rates in the ACT. As shown in the table below, **the specialist homelessness services client rate per 10,000 in the ACT is higher than the national rate across most priority groups.**

Specialist homelessness services client rate per 10,000, by priority group, ACT, 2016-17 (all clients, plus priority groups with the five highest rates)^{xxvii}

	ACT		Australia	
	2015-16	2016-17	2015-16	2016-17
All clients	119.1	113.6	117.4	119.1
Aboriginal and/or Torres Strait Islander	939.4	882.8	787.0	813.9
People with mental health issues	46.0	41.0	30.4	32.0
Domestic and family violence	40.9	39.3	44.4	47.4
Young people presenting alone (15-24)	24.1	23.0	18.1	17.4
People with drug or alcohol issues	16.5	15.4	11.1	11.3

Further reading

ACTCOSS Budget Priorities 2018-2019

<http://www.actcoss.org.au/news-events/actcoss-news/released-actcoss-budget-priorities-2018-19>

Submission: Towards a new housing strategy (September 2017)

<http://www.actcoss.org.au/publications/advocacy-publications/submission-towards-new-housing-strategy-act-community>

ACTCOSS and ACT Shelter 2016-17 Election Priorities - Homelessness and Housing Affordability

<http://www.actcoss.org.au/publications/advocacy-publications/2016-act-election-statement-homelessness-and-housing>

Stories of Home (Twelve Canberra individuals and families speak out about their experience of housing stress and homelessness)

<http://www.actcoss.org.au/publications/advocacy-publications/stories-home>

Connect

ACTCOSS website: www.actcoss.org.au | Twitter: [@actcoss](https://twitter.com/actcoss)

ACT Shelter website: www.actshelter.net.au

Facebook: www.facebook.com/myvoteforhousing

Campaign

ACTCOSS is a partner of the national Everybody's Home campaign for a better, fairer housing system for everyone.

#EverybodysHome

Facebook: www.facebook.com/EverybodysHomeCampaign

Website: www.everybodyshome.com.au

Sources

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- ii A Drozda, 'Time for action on housing affordability but it is not what everyone thinks...', *RiotACT*, 5 September 2017, viewed at, <<https://the-riotact.com/time-for-action-on-housing-affordability-but-it-is-not-what-everyone-thinks/213016>>.
- iii SGS Economics & Planning, *Rental Affordability Index: key findings, May 2018 release*, SGS Economics & Planning, Canberra, 2018, viewed at, <https://www.sgsep.com.au/application/files/2215/2661/5595/RAI_May_2018_-_Press_Quality.pdf>. The sole exception was single full-time working parent households where ACT was the fourth least affordable jurisdiction.
- iv *ibid.*
- v Anglicare Australia, *Rental Affordability Snapshot: Anglicare ACT – ACT and Queanbeyan*, Anglicare Australia, Canberra, 2018, viewed at, <<https://anglicareras.files.wordpress.com/2018/04/act.pdf>>. Note: This was out of 1,176 private rental properties advertised in the ACT and Queanbeyan region on March 24, 2018.
- vi Better Renting, *The energy efficiency of rental properties in the ACT*, Better Renting, Canberra, 2018, viewed at, <https://d3n8a8pro7vhmx.cloudfront.net/betterrenting/pages/42/attachments/original/1523488292/Th_e_energy_efficiency_of_rental_properties_in_the_ACT.pdf?1523488292>.
- vii *ibid.*
- viii ACT Government, *Towards a new housing strategy: an ACT community conversation*, ACT Government, Canberra, July 2017, p. 5, viewed at, <<https://www.yoursay.act.gov.au/affordablehousing>>.
- ix Productivity Commission, *Report on Government Services 2018*, Part G: Housing and homelessness, Productivity Commission, Canberra, 2018, Housing and Homelessness Attachment tables, Table GA.2, viewed at, <<http://www.pc.gov.au/research/ongoing/report-on-government-services/2018/housing-and-homelessness>>.
- x *ibid.*, Table GA.3.
- xi *ibid.*, Tables GA.7 & GA.12.

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- xii *ibid.*, Table GA.13.
- xiii ACT Government Community Services Directorate website, viewed at, <http://www.communityservices.act.gov.au/hcs/services/social_housing>.
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- xxiv *ibid.*, Table ACT CLIENTS.14.
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- xxvii AIHW, *Specialist homelessness services 2016-17: Australian Capital Territory*, AIHW, Canberra, 2018, viewed at, <<https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services/fact-sheets-1>>.