

Housing Australia factsheet

A quick guide
to housing facts and figures

Prepared for National Shelter by Shelter NSW

14 July 2010

Enquiries:

Mary Perkins, Shelter NSW, (02) 9267 5733 ext. 14, www.shelternsw.org.au

Adrian Pisarski, National Shelter, (07) 3393 2433, www.shelter.org.au

Housing stress

As at 2007, there were over 1,100,000 Australian families in housing stress, i.e. they paid more than 30% of their income on recurrent housing costs.¹

Those families in housing stress comprised 10% of Australian families.²

Housing stress varies by tenure, with private renters comprising over half of the families in housing stress in 2007.³

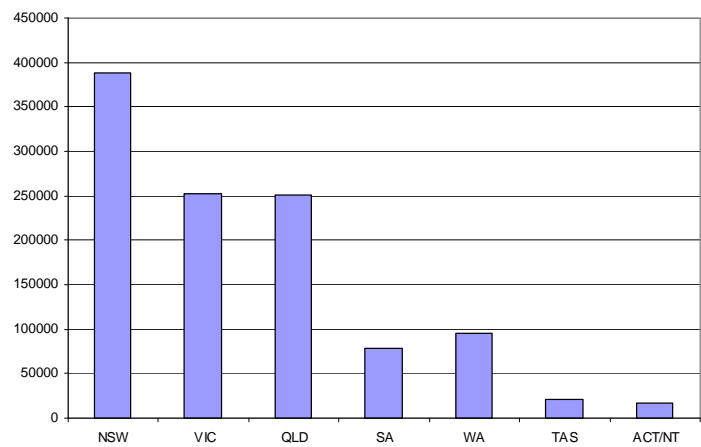
Across Australia in 2007–08, those paying more than 30% of their gross income in housing costs included:

- 445,000 private renters with incomes in the lowest 40% of the income distribution;
- 117,000 private renters who were wholly depending on government income support;
- 312,000 mortgagees with incomes in the lowest 40% of the income distribution; and
- 27,000 mortgagees who were wholly depending on government income support.⁴

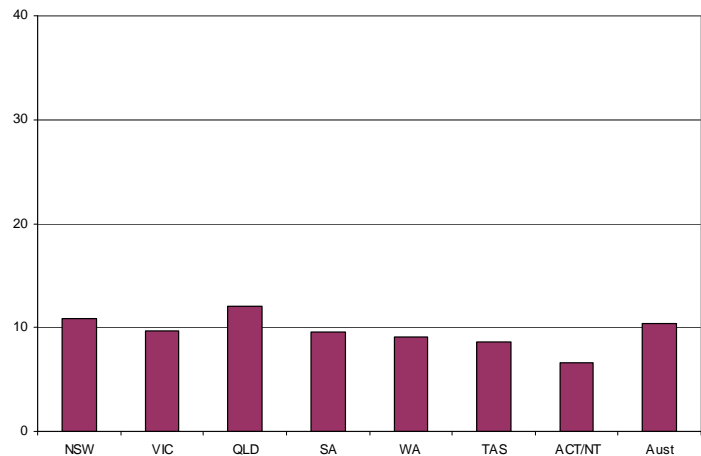
In 2007–08:

- 37.2% of low-income renter households across Australia were in rental stress;⁵
- 47.5% of low-income households in the private rental market across Australia were in rental stress;⁶
- 46.6% of low-income households with a mortgage were in mortgage stress across Australia.⁷

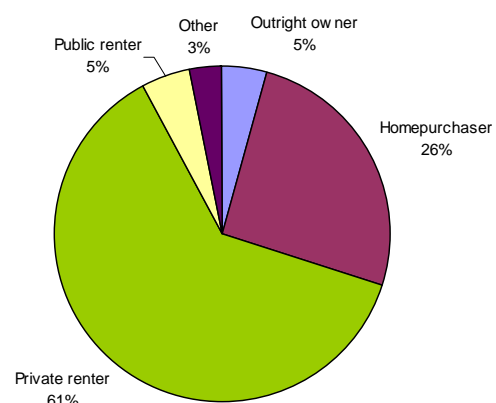
Number of Australian families in housing stress, by state



Percentage of families in housing stress, in each state



Tenure profile of families in housing stress



Home purchase

House prices across Australia have more than quadrupled in the last 20 years.⁸

Sydney has the most heated market for private housing amongst capital cities in Australia, retaining its position between the June and September quarters 2009. The median house price in Sydney in the September 2009 quarter was \$500,000. After Sydney, the most expensive capital cities are Darwin, Canberra and Perth.

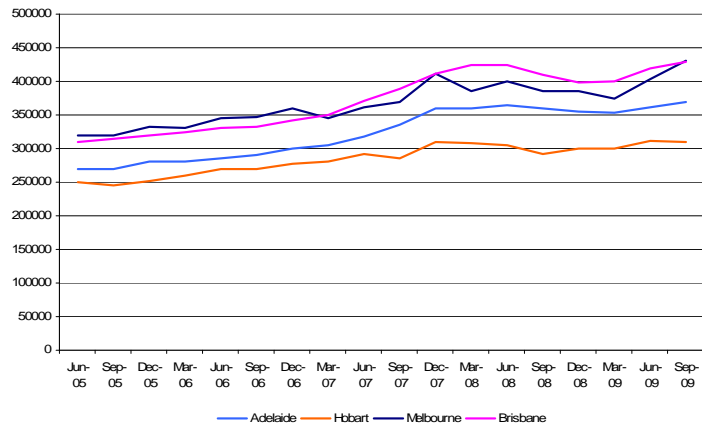
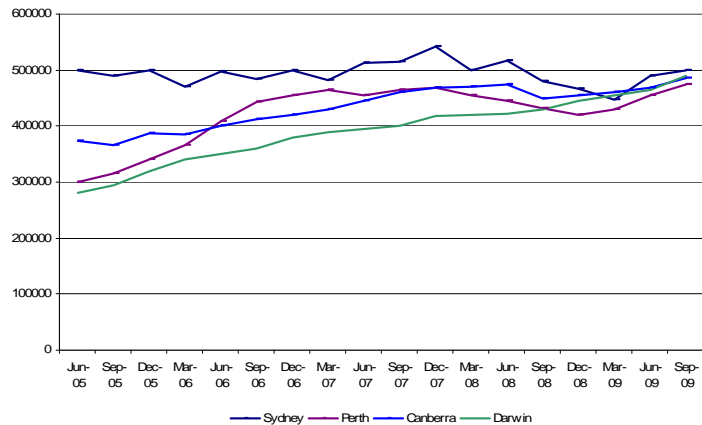
Median prices for non-strata houses increased in all capital cities between the March and June quarters 2009 – other than in Hobart, where its median house price stayed the same.⁹

High house prices present two barriers to homeownership for low-income households:

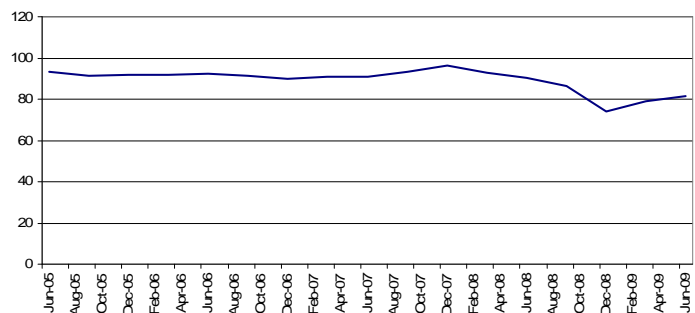
- an initial (or ‘market entry’) barrier when seeking to meet the upfront costs of buying a dwelling; and
- an ongoing issue with meeting recurrent costs.

The deposit required for a first home loan for a median-priced dwelling was an amount equivalent to 81.3% of the average household disposable income as at June 2009.¹⁰

Median price of non-strata houses, capital cities



First homebuyer deposit gap as % of average household disposable income, Reserve Bank of Australia

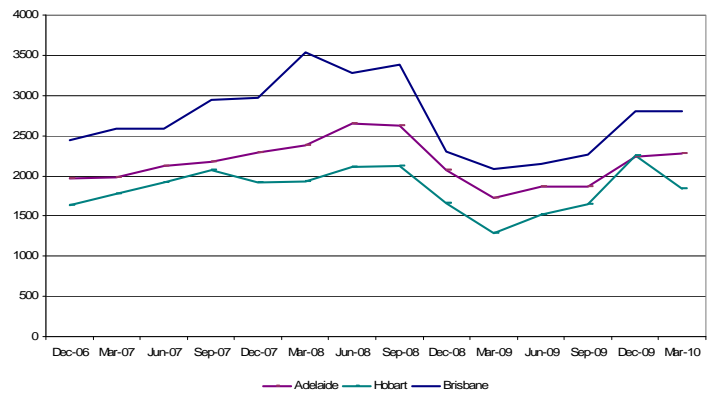
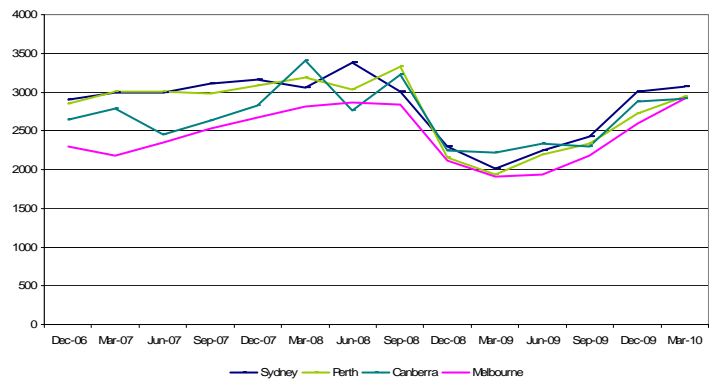


Home purchase

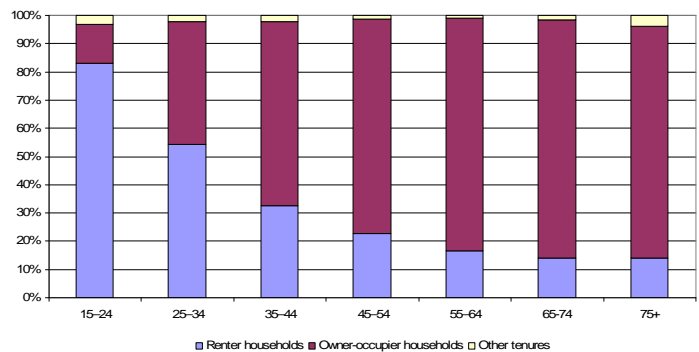
Monthly loan repayments for dwellings bought at a median price with the help of a loan from the Commonwealth Bank in March 2010 varied from \$1,843 in Hobart to \$3,068 in Sydney. Monthly mortgage repayments increased in all capital cities between the December quarter 2009 and the March quarter 2010, except in Brisbane and Hobart.¹¹

There is a direct relation between age and tenure, with households headed by a younger person much more likely to be in rental housing than households headed by an older person. For example, in 2007–08, 83.1% of households headed by a person aged 15–24 were in rental housing, and 84.3% of households headed by a person aged 65–74 were in owner-occupied housing.¹²

Monthly loan repayments for median-priced dwellings



Age of householder and housing tenure

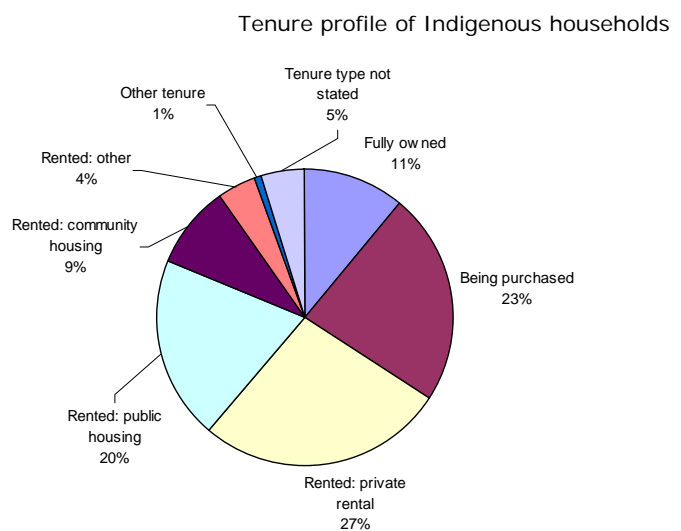
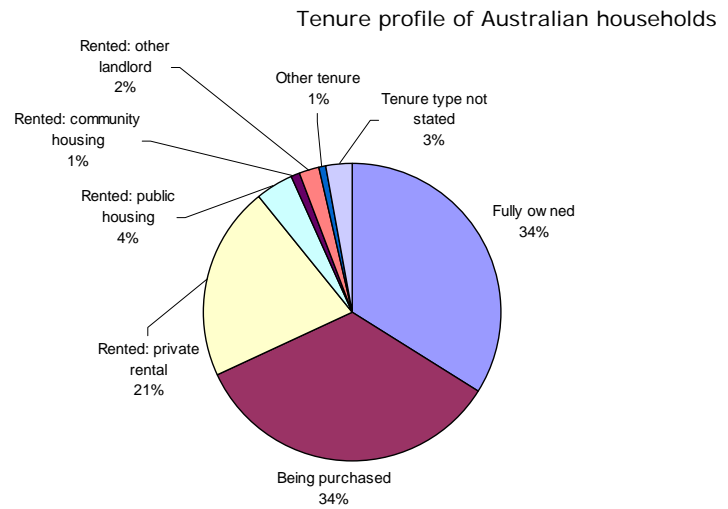


Home purchase

As at 2007–08, the home ownership rate in Australia was 67.4%.¹³

The tenure profile of households with an Indigenous person differed from the Australian total in 2006. They were:

- less likely to be homeowners (34%, compared to 68% of NSW households generally);
- more likely to be in private rental (27%, compared to 21% of NSW households generally);
- more likely to be in public housing (20%, compared to 4% of NSW households generally); and
- more likely to be in community housing (9%, compared to 1% of NSW households generally).¹⁴



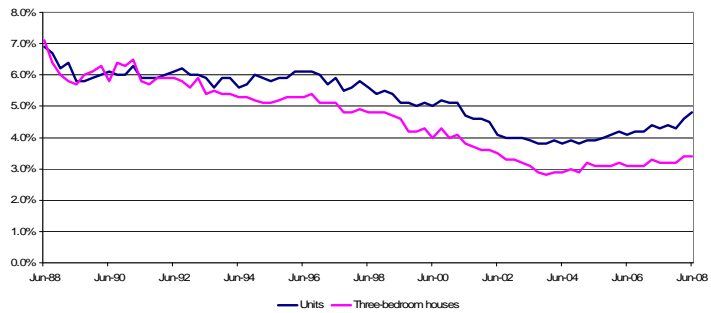
Rental

The supply of rental housing is dependent on many factors. These include the relative attraction of investment in housing compared with the returns on investment in other areas, which is influenced by the taxation treatment of each.

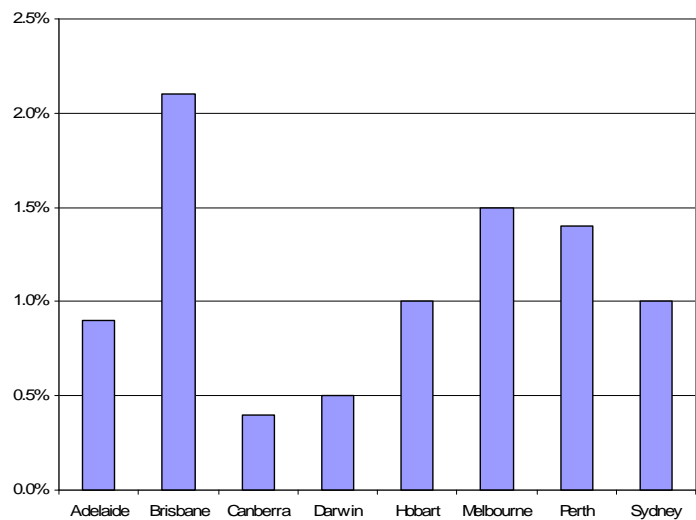
Short-term income from rents has not been a significant driver of investment in this sector. Gross yields from investment in rental dwellings (rental income as a proportion of dwelling value) averaged 4.8% for units and 3.4% for three-bedroom houses in Australia, in June 2008.¹⁵ The lower the gross rental yield is, the more overvalued the property is.

Vacancy rates for dwellings in the private housing market are low, ranging from 0.4% in Canberra to 2.1% in Brisbane in May 2010.¹⁶

Rental yields on residential properties



Vacancy rates for private rental housing, May 2010



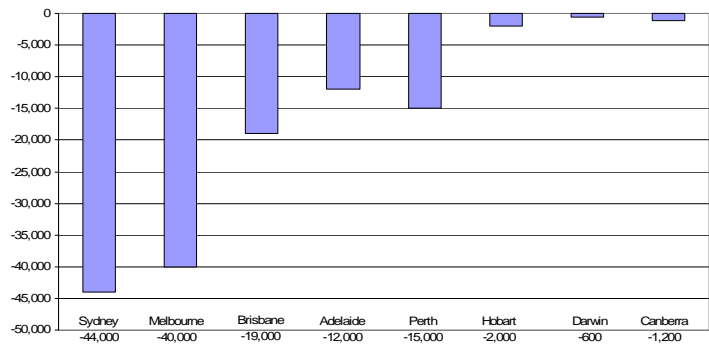
Rental

There is a shortage of affordable and available dwellings for rental in the private market for households with low-moderate incomes (the bottom two income quintiles). The shortage of affordable dwellings is intensified by higher-income households renting some of the affordable dwellings, so that they are not available for lower-income households.

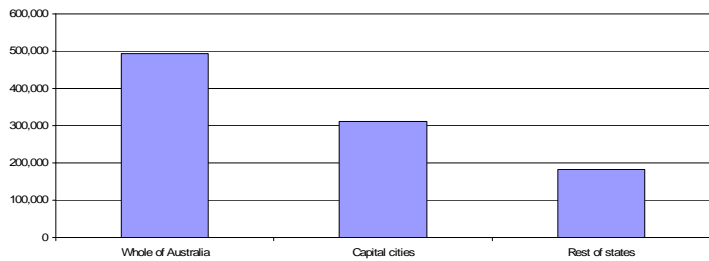
In 2007–08 there was a shortage of 493,000 private rental dwellings that were both affordable and available for those in the bottom 40% of the income distribution – with 311,000 being located in capital cities.¹⁷

The median weekly rent for private rental was \$250 for Australia in 2007–08, and it varied from state to territory. The highest median weekly rent in 2007–08 was in the ACT at \$320, and the lowest median weekly rent was in Tasmania at \$180.¹⁸

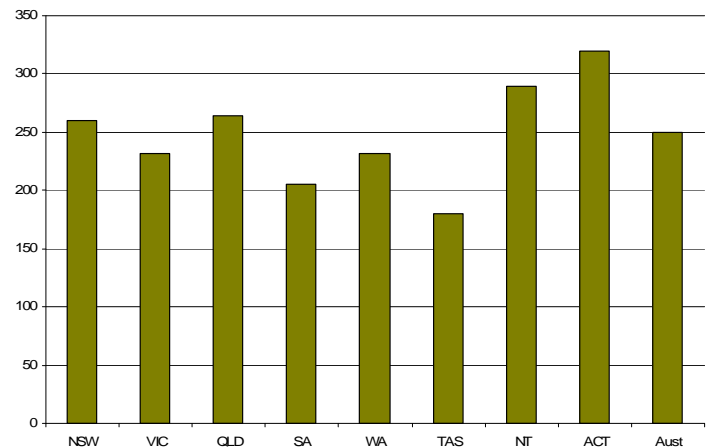
Affordable and available private rental stock for very low income households



Shortage of rental dwellings which were affordable to lower-income households and available to those households



Median weekly rents



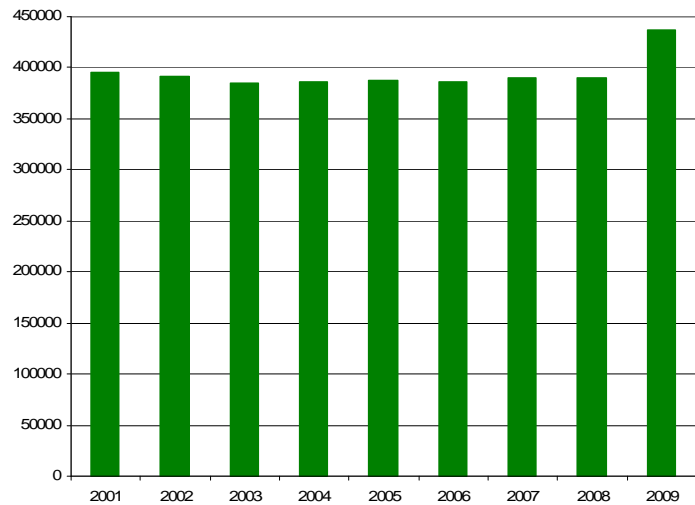
Social housing

In 2009, there were 437,405 social housing dwellings in Australia – 47,865 more than in 2008.¹⁹ This figure covers public housing, government-owned and managed Indigenous housing, government-subsidized community housing, and crisis accommodation program dwellings.²⁰

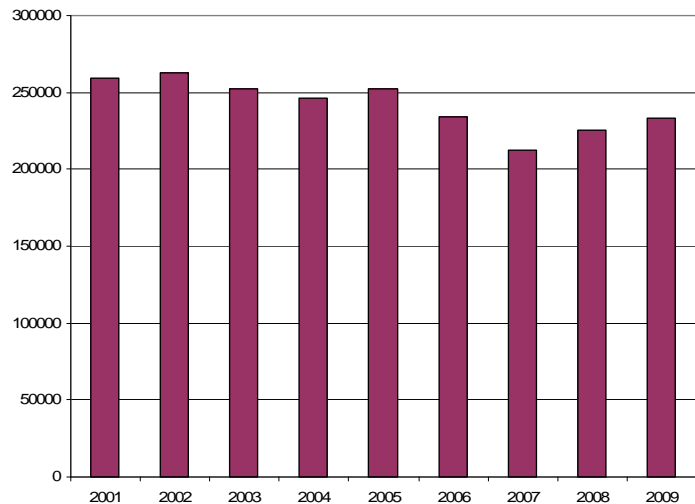
The number of people on the social housing waiting lists has fallen by 13% over this decade. The major reasons for this have been the tightening of eligibility criteria in some jurisdictions, and reviews of the status of previous applicants. Even so, there were 233,171 applicants waiting for social housing in 2009.²¹

Social housing is an important source of housing to people with disabilities. In 2008, 30.5% of all households in public rental housing, state owned and managed Indigenous housing and community housing contained a household member with a disability – compared to the national estimate of 20% of the total population.²²

Social housing dwellings



Social housing waiting lists



Social housing

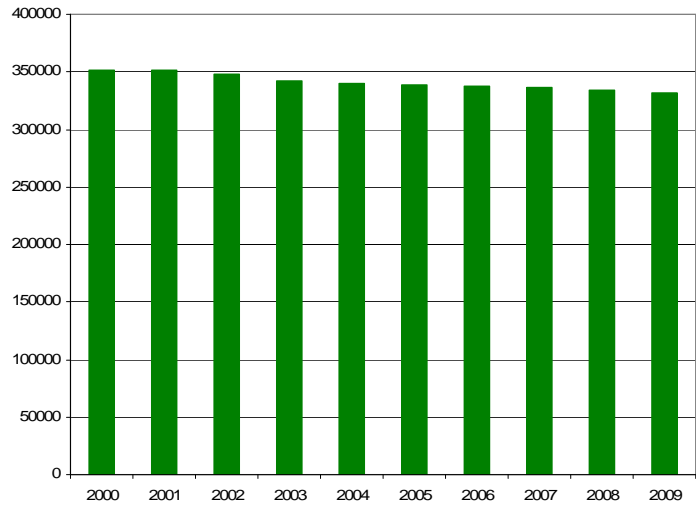
Public housing is the biggest subsector of social housing, providing 85% of social housing dwellings. In 2009, there were 331,824 public housing dwellings nationally.

There has been a 5.7% decrease in supply in this subsector since 2000.²³

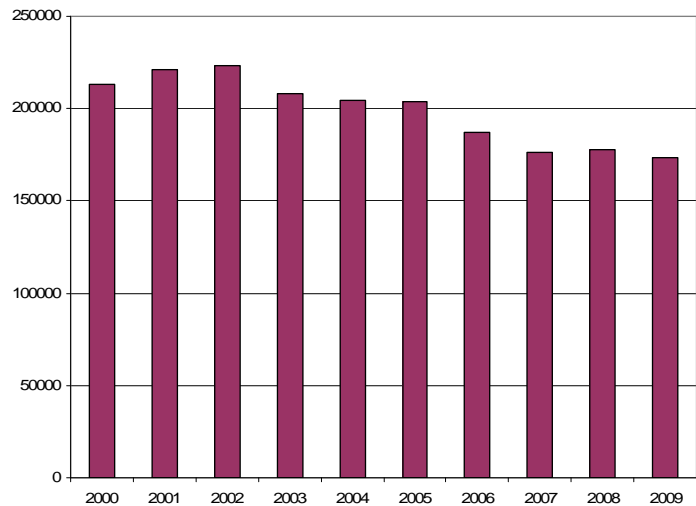
There were 173,456 applicants on the public housing waiting lists across Australia in 2009.²⁴

There has been an 18.6% decrease in the number of applicants on the waiting lists for this subsector over the last decade. Again, the major reasons for this have been tightening of eligibility criteria in some jurisdictions, and reviews of the status of previous applicants.

Public housing dwellings



Public housing waiting lists



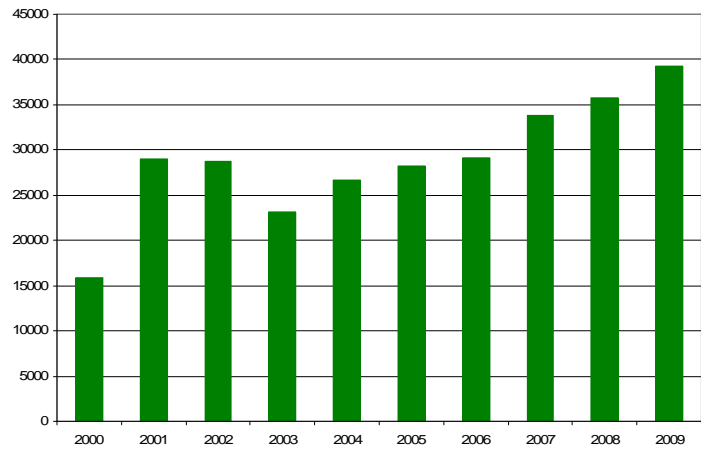
Social housing

The community housing subsector had 39,270 dwellings in 2009.²⁵

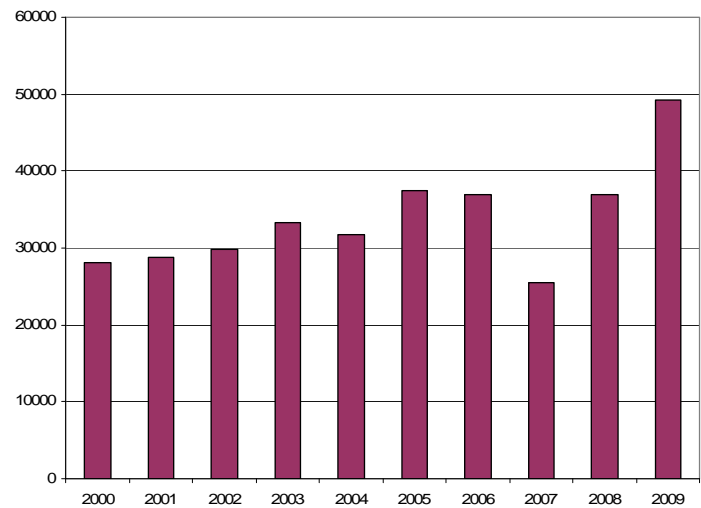
There has been a 146.7% increase in supply in this subsector since 2000.

There were 49,187 applicants on the community housing waiting lists in 2009.²⁶

Community housing dwellings



Community housing waiting lists

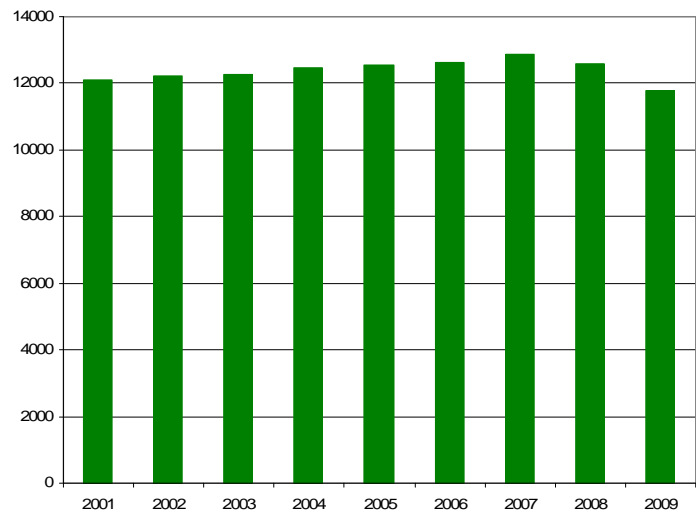


Social housing

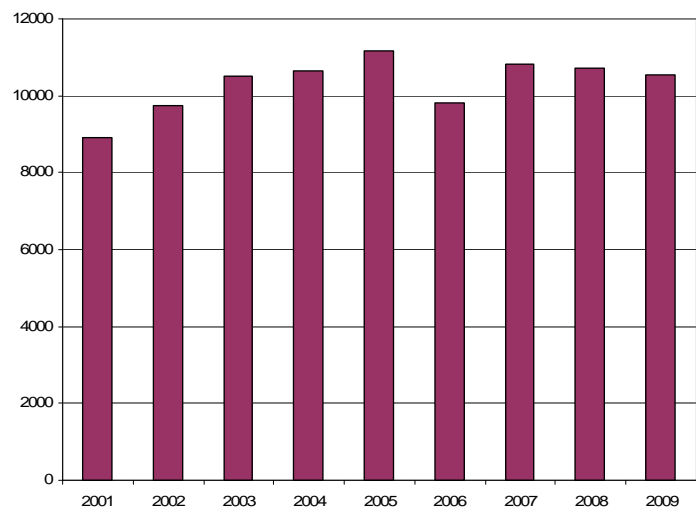
The government-owned and managed Indigenous housing subsector had 11,772 dwellings in 2009.²⁷

There were 10,528 applicants on the waiting lists for government-owned and managed Indigenous housing in 2009.²⁸

Indigenous housing dwellings



Indigenous housing waiting lists

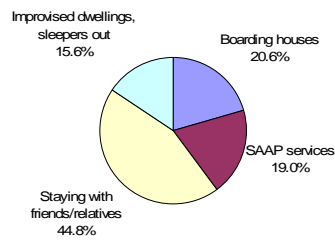


Homelessness

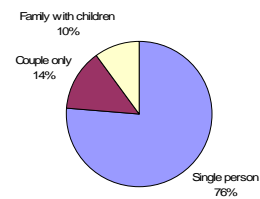
On census night in 2006:

- there were 105,000 homeless people in Australia;²⁹
- 19,849 of the homeless population were staying in Supported Accommodation Assistance Program (SAAP) services (now known as homelessness services);³⁰
- 76% of the homeless population was comprised of single people;³¹
- 16,375 of the homeless population were classified as rough sleepers – 4,327 were located in capital cities, 1,985 were located in regional centres and 10,063 were located in rural and remote communities.³²

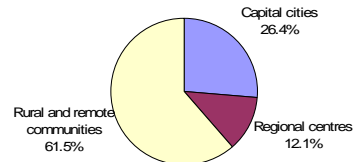
Homeless people by dwelling type



Homeless people by household type



Location of rough sleepers by region



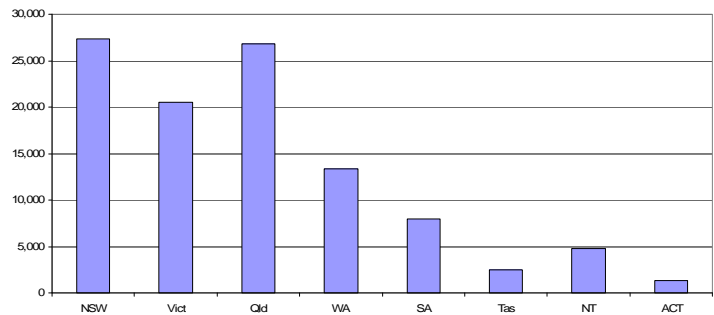
Homelessness

The rate of homelessness in Australia has remained constant between census nights in 2001 and 2006, at 53 homeless people per 10,000 of the population.

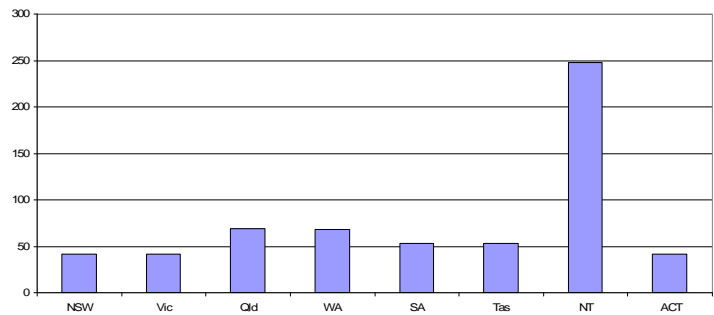
- New South Wales has the largest number of homeless people in Australia at 27,374 (26.1%), and the ACT has the smallest number, at 1,364 (1.3%).³³
- The Northern Territory has the highest rate of homelessness in Australia at 248 homeless people per 10,000 of the population, and the ACT, New South Wales and Victoria have the lowest rate, at 42 homeless people per 10,000 of the population.³⁴

In 2006, 9.1% of the national homeless population were identified as Aboriginal, whereas only 2.4% of the population were identified as Aboriginal.³⁵

Number of homeless people by state and territory



Rate of homelessness per 10,000 of the population, by state and territory



Homelessness

The number of closed support periods in the form of accommodation provided to homeless people by homelessness agencies was 55,200 in 2008–09.³⁶

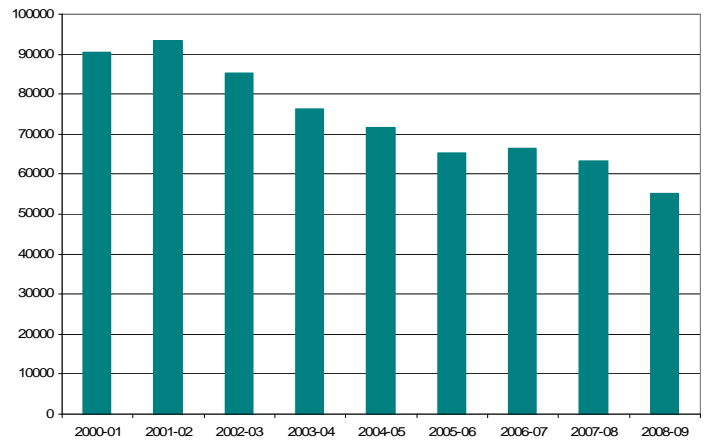
Indigenous peoples are heavily ‘over-represented’ as clients of homelessness services. Out of 118,900 clients accessing homelessness agencies in 2008–09, 21,400 were Indigenous.³⁷

The most common reasons given for seeking assistance from homelessness agencies in 2008–09 were:

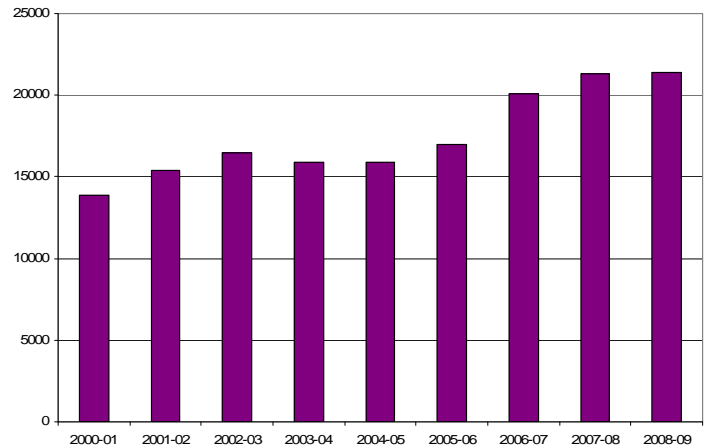
- Domestic or family violence (22.0% of support periods);
- Relationship or family breakdown (10.4%); and
- other financial difficulty (7.6%).³⁸

The average daily number of requests for immediate accommodation that could not be met by homelessness agencies was 294.6 in 2007–08.³⁹

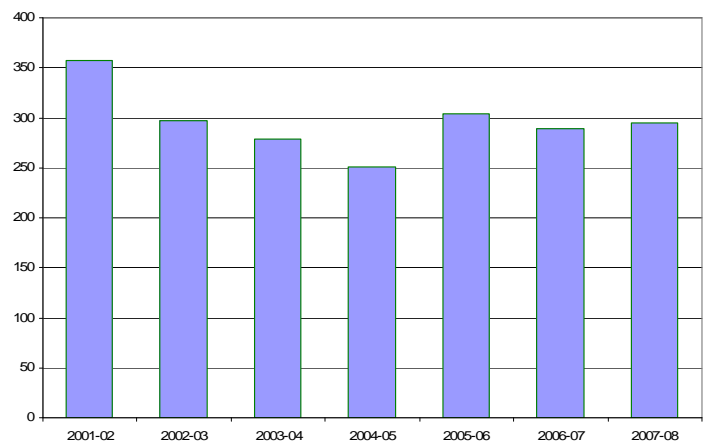
Closed support periods provided by homelessness services in which clients were accommodated



Indigenous clients of homelessness services



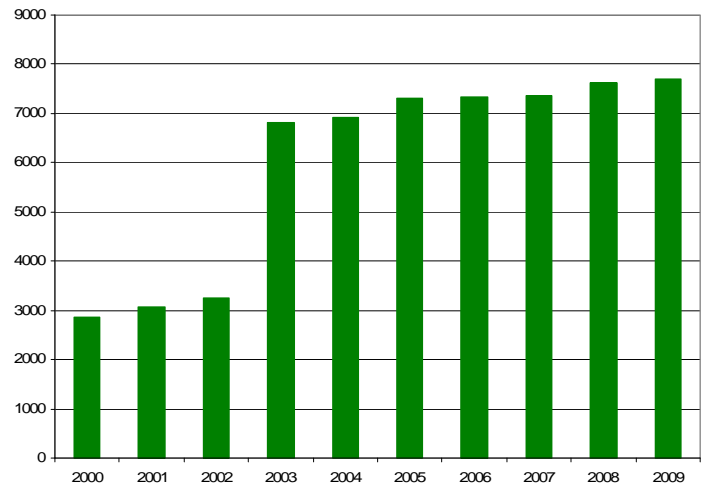
Daily requests for SAAP accommodation within 24 hours which were not met



Homelessness

As at 2009, there were 7,687 Crisis Accommodation dwellings nationally.⁴⁰

Crisis Accommodation Program dwellings in Australia



Sources for figures

- Number of Australian families in housing stress, by state. Ryanti Miranti and Binod Nepal, 'Housing stress in Australia 2007', National Centre for Social and Economic Modelling, University of Canberra, 2008, Table 1a.
- Percentage of families in housing stress, in each state. Ryanti Miranti and Binod Nepal, 'Housing stress in Australia 2007', National Centre for Social and Economic Modelling, University of Canberra, 2008, Table 1a.
- Tenure profile of families in housing stress. Ryanti Miranti and Binod Nepal, 'Housing stress in Australia 2007', National Centre for Social and Economic Modelling, University of Canberra, 2008, Table 3a.
- Median price of non-strata houses, capital cities. Australian Bureau of Statistics, 'House price indexes: eight capital cities – December quarter 2009', ABS cat. No. 6416.0, Canberra, 2010.
- First homebuyer deposit gap as % of average household disposable income, Reserve Bank of Australia. Unpublished data provided to Shelter NSW, 29 September 2010.
- Monthly loan repayments for median-priced dwellings. *HIA–Commonwealth Bank affordability report*, December quarter 2009.
- Age of householder and housing tenure. Australian Bureau of Statistics, 'Housing and occupancy costs, 2007–08', November 2009, cat. no. 4130.0, p. 46.
- Tenure profile of Australian households. Australian Bureau of Statistics, 2006 census data.
- Tenure profile of Indigenous households. Australian Bureau of Statistics, 'Indigenous profile: 2006 census community profile series', cat. no. 2002.0.
- Rental yields on residential properties. Real Estate Institute of Australia data cited in National Housing Supply Council, *State of supply report 2008*, 2009, p. 26.
- Vacancy rates for private rental housing, May 2010. SQM Research, <www.sqmresearch.com.au>, viewed 14 July 2010.
- Affordable and available private rental stock for very low income households. Maryann Wulff, A. Dharmalingam, Margaret Reynolds and Judith Yates, 'Australia's private rental market: changes (2001–2006) in the supply of, and demand for, low rent dwellings', Australian Housing and Urban Research Institute positioning paper no. 122, August 2009, Table 15, p. 34, as at 2006.
- Shortage of rental dwellings which were affordable to lower income households and available to those households. National Housing Supply Council, *State of supply report 2010*, 2010, Table 5.4, p. 105, as at 2007–08 (households with gross incomes below the 40th percentile).
- Median weekly rents. Australian Bureau of Statistics, Australian Bureau of Statistics, 'Housing and occupancy costs, 2007–08', November 2009, cat. no. 4130.0, p. 62.
- Social housing dwellings. Australian Institute of Health and Welfare, Housing assistance data development series reports for public rental housing, community housing, state owned and managed Indigenous housing, and the Crisis Accommodation Program. The number indicates the number of tenable dwellings as at 30 June of each financial year.
- Social housing waiting lists. Australian Institute of Health and Welfare, Housing assistance data development series reports for public rental housing, community housing, and state owned and managed Indigenous housing. The data for 2004, 2005 and 2006 does not include the Northern Territory (not available). The data does not include the Crisis Accommodation Program (for which customers do not apply directly).
- Public housing dwellings. Australian Institute of Health and Welfare, 'Public rental housing', Housing assistance data development series.
- Public housing waiting lists. Australian Institute of Health and Welfare, 'Public rental housing', Housing assistance data development series.
- Community housing dwellings. Australian Institute of Health and Welfare, 'Community housing', Housing assistance data development series.
- Community housing waiting lists. Australian Institute of Health and Welfare, 'Community housing', Housing assistance data development series.
- Indigenous housing dwellings. Australian Institute of Health and Welfare, 'State owned and managed Indigenous housing', Housing assistance data development series.
- Indigenous housing waiting lists. Australian Institute of Health and Welfare, 'State owned and managed Indigenous housing', Housing assistance data development series.
- Homeless people by dwelling type. Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no.

Housing Australia factsheet

2050.0, 4 September 2008, Table 1, persons in different sectors of the homeless population on census night, p. viii.

Homeless people by household type. Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no.

2050.0, 4 September 2008, Table 2, homeless single person, couple and family households, p. viii.

Location of rough sleepers by region. Department of Families, Housing, Community Services and Indigenous Affairs, *The road home*, 2008, p. 4, table 1, rough sleepers by state and region, unpublished table from Department of Families, Housing, Community Services and Indigenous Affairs using ABS census 2006 data.

Number of homeless people by state and territory. Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no. 2050.0, 4 September 2008, p. 46.

Rate of homelessness per 10,000 of the population, by state and territory. Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no. 2050.0, 4 September 2008, p. 46.

Closed support periods provided by homelessness services in which clients were accommodated. Australian Institute of Health and Welfare, Supported Accommodation Assistance Program national data collection annual reports.

Indigenous clients of homelessness services. Australian Institute of Health and Welfare, Supported Accommodation Assistance Program national data collection annual reports.

Daily requests for SAAP accommodation within 24 hours which were not met. Australian Institute of Health and Welfare, 'Demand for SAAP accommodation by homeless people', Supported Accommodation Assistance Program national data collection annual reports.

Crisis Accommodation Program dwellings in Australia. Australian Institute of Health and Welfare, Commonwealth-State Housing Agreement Crisis Accommodation Program national data reports.

Notes

- ¹ Ryanti Miranti and Binod Nepal, 'Housing stress in Australia 2007', National Centre for Social and Economic Modelling, University of Canberra, 2008. The NATSEM defines a family as an individual or group of individuals in a household who share their income; this definition does not include shared households, where individuals do not share their income. The NATSEM defines housing stress as the situation where a family's housing costs are more than 30% of its disposable income and the family is in the bottom two quintiles of the income distribution.
- ² Miranti and Nepal.
- ³ Miranti and Nepal.
- ⁴ National Housing Supply Council, *State of supply report 2010*, 2010, Tables 5.1 and 5.2, pp. 99–102.
- ⁵ Council of Australian Governments (COAG) Reform Council, 'National Affordable Housing Agreement: baseline performance report for 2008–09', 2010, volume 1, p. 56.
- ⁶ *ibid.*, p. 57.
- ⁷ *ibid.*, p. 73.
- ⁸ Tony Kryger, 'House prices', *Research note*, no.7, 2006–07, Parliamentary Library, Parliament of Australia, 9 October 2006.
- ⁹ Australian Bureau of Statistics, 'House price indexes: eight capital cities – March quarter 2010', cat. no. 6416.0, Canberra, 2010, p.10. The table presents data for unstratified (city-wide) median prices for established houses, by city, by quarter.
- ¹⁰ Reserve Bank of Australia, unpublished data provided to Shelter NSW, 29 September 2009.
- ¹¹ *HIA–Commonwealth Bank affordability report*, March quarter 2010.
- ¹² Australian Bureau of Statistics, 'Housing and occupancy costs, 2007–08', November 2009, cat. no. 4130.0, p. 46.
- ¹³ *ibid.*, p. 63.
- ¹⁴ Australian Bureau of Statistics, 'Indigenous profile: 2006 census community profile series', cat. no. 2002.0.
- ¹⁵ National Housing Supply Council, *State of supply report 2008*, 2009, pp. 25–26, citing data prepared by the Real Estate Institute of Australia.
- ¹⁶ SQM Research, <www.sqmresearch.com.au>, viewed 14 July 2010.
- ¹⁷ *State of supply report 2010*, p. 105.
- ¹⁸ 'Housing and occupancy costs, 2007–08', p. 62.
- ¹⁹ Australian Institute of Health and Welfare, Housing assistance data development series reports for public rental housing, community housing, state owned and managed Indigenous housing, and the Crisis Accommodation Program. The number indicates the number of tenable dwellings as at 30 June of each financial year.
- ²⁰ Government-owned and managed Indigenous housing does not comprise the entire Indigenous social housing sector: it refers to that part financed through the Commonwealth–State–territory multilateral funding agreements but does not include social housing provided by Indigenous organisations (e.g. land councils) with finance from other sources. Government-subsidized community housing does not comprise all of the non-profit non-government affordable rental housing sector: it refers to social housing provided through the Commonwealth–State–territory multilateral funding agreements by non-Indigenous organisations, and does not include affordable rental housing provided by community organisations with finance from other sources; it specifically does not include submarket rental housing provided under disability and aged care programs.
- ²¹ Australian Institute of Health and Welfare, Housing assistance data development series reports for public rental housing, community housing, and state owned and managed Indigenous housing. The data for 2004, 2005 and 2006 does not include the Northern Territory (not available). The data does not include the Crisis Accommodation Program (for which customers do not apply directly).
- ²² Australian Institute of Health and Welfare, *Australia's welfare 2009*, AIHW cat. no. AUS 117, Canberra, 2009, p. 266.
- ²³ Australian Institute of Health and Welfare, 'Public rental housing', Housing assistance data development series. The number indicates the number of tenable dwellings as at 30 June each financial year.
- ²⁴ *ibid.*
- ²⁵ Community housing here refers to social housing provided through Commonwealth–state–territory multilateral funding agreements by non-Indigenous organisations. It does not include affordable rental

housing provided by community organisations with finance from other sources; it specifically does not include submarket rental housing provided under disability and aged care programs.

- ²⁶ Australian Institute of Health and Welfare, 'Community housing', Housing assistance data development series. The data do not include the Northern Territory. The data for 2002 and 2003 do not include Victoria (not available).
- ²⁷ Government-owned and managed Indigenous housing does not comprise the entire Indigenous social housing sector: it refers to that part financed through the Commonwealth–State–territory multilateral funding agreements on housing and does not include social housing provided by Indigenous organisations (e.g. land councils) with finance from other sources.
- ²⁸ Australian Institute of Health and Welfare, 'State owned and managed Indigenous housing', Housing assistance data development series. The data do not include the Northern Territory or the Australian Capital Territory (not applicable).
- ²⁹ Chris Chamberlain and David MacKenzie, *Counting the homeless 2006: Australia*, Australian Bureau of Statistics, Australian Census Analytic Program, cat. no. 2050.0, 4 September 2008, p. x. The report uses a cultural definition of homelessness, which is comprised of: primary homelessness (people without conventional accommodation, such as people sleeping in parks and using cars for temporary shelter); secondary homelessness (people who move frequently from one form of shelter to another, such as those in emergency or transitional accommodation provided under the Supported Accommodation Assistance Program, people staying with other households because they have no accommodation of their own and people staying in boarding houses on a short-term basis, defined as 12 weeks or less); and tertiary homelessness (people living in boarding houses on a medium to long-term basis, defined as 13 weeks or longer – that is, they are staying in accommodation which is below the minimum community standard of a small self-contained flat). Table 7 on homeless people by state and territory in *Counting the homeless 2006: Australia* on p. x refers to a national total of 104,676 who were counted as homeless in the 2006 census, but p. vii states that for policy and planning purposes, a national figure of 105,000 can be quoted.
- ³⁰ *Counting the homeless 2006: Australia*, Table 1, persons in different sectors of the homeless population on census night, p. viii.
- ³¹ *ibid.*, Table 2, homeless single person, couple and family households.
- ³² Department of Families, Housing, Community Services and Indigenous Affairs, *The road home*, 2008, p. 4, Table 1, unpublished table from Department of Families, Housing, Community Services and Indigenous Affairs using ABS census 2006 data.
- ³³ *Counting the homeless 2006*, Table 8.4, number of homeless people by state and territory, p. 46.
- ³⁴ *ibid.*, Table 8.3, rate of homelessness per 10,000 of the population, p. 46.
- ³⁵ In 2006, 19.7% of SAAP clients across Australia were identified as Aboriginal and Torres Strait Islander peoples (*Counting the homeless 2006: Australia*, p. 29). The experiences of homelessness by Aboriginal and Torres Strait Islander peoples can differ from those of other Australians, due to the distinct causes and contexts for their experiences. Keys Young have formulated five types of homelessness experienced by Aboriginal and Torres Strait Islander peoples which cover: spiritual homelessness (relating to separation from traditional land or family); overcrowding; relocation and transient homelessness (due to mobile lifestyles as well as the necessity of a larger proportion of Aboriginal and Torres Strait Islander peoples having to travel to obtain services); escaping unsafe homes; and lack of access to stable housing. Compared to homelessness experienced by others, homelessness experienced by Aboriginal and Torres Strait Islander peoples is a broader issue because it encompasses the experiences of individuals, families and communities, as well as the intergenerational impact of colonisation and dispossession (Keys Young, 'Homelessness in the Aboriginal and Torres Strait Islander context and its possible implications for the Supported Accommodation Assistance Program', Department of Family and Community Services, 1999, pp. iv, 129).
- ³⁶ Australian Institute of Health and Welfare, Supported Accommodation Assistance Program national data collection annual reports. The 2008–09 annual report was entitled 'Government-funded specialist homelessness services'. On 1 January 2009, SAAP was discontinued as a separate program and specialist homelessness services were included under the National Affordable Housing Agreement. This resulted in some changes in the way the jurisdictions administer the agencies; for example, the number of funded agencies and the number of agencies that were required to participate in the data collection decreased from those reported in 2008–09. A client might have more than one contact with a SAAP agency in a year, although most do not.
- ³⁷ *ibid.*

³⁸ Australian Institute of Health and Welfare, 'Government-funded specialist homelessness services', Supported Accommodation Assistance Program National Data Collection annual report 2008–09, Australia, Table 5.4, 'Support periods: main reason for seeking assistance, by state and territory, Australia, 2008–09 (per cent)', p. 35.

³⁹ Australian Institute of Health and Welfare, 'Demand for SAAP accommodation by homeless people'.

⁴⁰ Australian Institute of Health and Welfare, Commonwealth–State Housing Agreement Crisis Accommodation Program national data reports. The number indicates the number of tenable dwellings as at 30 June each financial year.