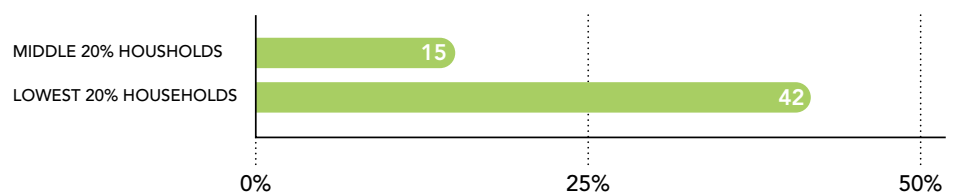


Poverty puts pressure on people – it’s constant and strong. If the pressure builds up, people can be pushed into homelessness. We can relieve the pressure on people’s lives by creating affordable housing and helping people get decent jobs. We can also help people withstand this pressure by strengthening our social welfare system and ensuring all payments stay above the poverty line. We can end homelessness and increase housing affordability. Investing in social housing is both the right and smart thing to do.

How are housing and poverty linked?

In Australia, increasing housing costs played a major role in keeping the overall poverty rate at around 12-13% from 2009 to 2017, when it would have otherwise declined.¹

Percentage increase in Average Housing Costs 2005-2017



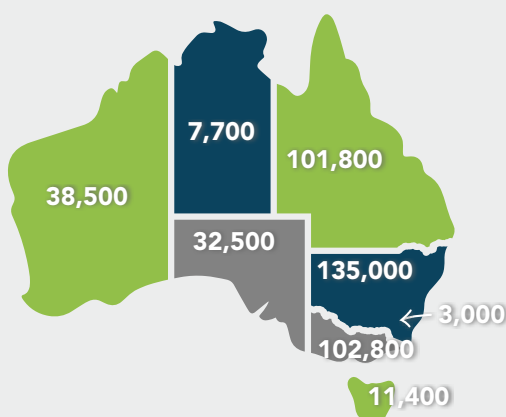
Relying on income support and renting in the private market increases the risk of poverty. For example, in 2017-18, the poverty rate for people aged over 65 years who owned or were purchasing their home was 10%. However, it was more than 4 times that - 41% - for those renting privately.²

How many people are homeless or waiting for social housing?

At least **116,000 Australians are homeless on any given night** and **190,000 households are on waiting lists for social housing**. There is a national shortage of 433,000 homes for people in the lowest 20% of household incomes who are either homeless or in rental stress and at high risk of becoming homeless.³

Social Housing Unit Shortfall

2016 Australian Bureau of Statistics Data



See also these [heat maps](#) of homelessness and social housing need by Federal Electorate and the Homelessness Week [media release](#), 3/8/20.⁴

“The pandemic has shown how vulnerable people are when they don’t have a home, and how urgently we need more social housing so that every Australian can have a safe place to live.”

– Chair of Homelessness Australia,
Jenny Smith



Before the pandemic, homelessness was already too high

In 2016 there were more than 116,000 people who did not have a place to call home, a 14% increase from 2011. 2 out of 5 people facing homelessness were young people under the age of 25.

Domestic violence is also a major reason people become homeless – it was the largest single reason of people presenting for emergency accommodation help according to the [Australian Homelessness Monitor](#) published in 2018.

Drivers of homelessness include high rents, unemployment, low income security payments, increasing domestic violence and a lack of social housing.

Since the COVID-19 pandemic struck, up to 1 million temporary visa holders have been excluded from any form of income support, including JobSeeker and JobKeeper, and there is emerging evidence that they are increasingly losing their rental accommodation and having to live in their cars as the pandemic continues.

Not everybody who is homeless sleeps on the street

While some people end up rough sleeping, many others are couch surfing, living in their car, or are living in other forms of unsafe and unstable accommodation.

In 2019, Anti-Poverty Week and the St Vincent de Paul Society ACT hosted a Raise the Rate breakfast.⁵ At that event, employers heard from 'David', a 49-year-old former public servant who had resigned from his job to care for his elderly mother after she fell while living at home alone. After she passed away, he needed to sell the family home and look for work. During that time he relied on Newstart, and for three months he slept in his car through the cold 2018 winter while job searching. By October 2019 he had found accommodation, but was competing with up to 48 other suitable candidates for the jobs he was being shortlisted for.

The response to COVID-19 was a huge relief but more is required

Many people already in poverty and reliant on income support have lost casual and part-time work. The Coronavirus Supplement (CVS) of \$550 a fortnight being added to multiple payments, including JobSeeker Payment (formerly Newstart), is helping many low-income people pay rent and, in some cases, get the bond together to get into secure accommodation (including those needing to leave domestic violence).

“I’ve been able to buy real ingredients and make proper meals for the kids. My rent is no longer 60% of my total income, and I can buy household items I’ve been needing for years and musical instruments to enrich the children’s lives.”⁶

Case workers at Mission Australia’s NSW Ebbs House completed at least three reference checks in the first month that the payment was paid, meaning these formerly homeless clients had the bond to apply for rental properties.⁷



Anglicare Australia's special **Rental Affordability Snapshot** released in early September shows rents at the low end of the market have actually increased and that the CVS is the only thing helping people keep a roof over their heads.⁸

There are grave concerns when these payments are cut on 25 September. More than 3.3 million people are receiving the CVS (including 1.1 million children), and more than 1.7 million households will be in need of rent assistance. The government has not stated what will happen to payments after 31 December.

“I live in Tasmania. This supplement means rentals are now more affordable for me and I can find a rental I can afford. Unfortunately once this ends I will struggle again. And most likely have to give my rental up. We were all couch surfing with friends and family until this supplement.”

What's the most effective way to reduce homelessness?

Social housing investment is the most effective way to reduce homelessness, due to its affordable rents, security of tenure, and other supports that are not available to people in the private rental market. Financially vulnerable people in social housing are less than half as likely to become homeless as a similar group renting privately. Over 1/3 of new tenants in social housing were previously homeless.¹⁰

Some 7,000 people were taken off the streets during the start of the COVID-19 pandemic. Steven Coard was one of them. At nearly 50, he's been sleeping rough for most of his adult life. *“What an amazing transformation — from being at rock bottom, to back on the social ladder,”* he said. *“I thought we were going to be left out here to deal with it ourselves. “All of a sudden, we're all being housed. It's a very mind-blowing experience.”*¹¹

“It's the right thing to do. It's cheaper to get people a home. It'll save money on police call-outs, and treating people on emergency wards. Homeless is not an identity. It's an experience. And if we can make it a short experience, and one that doesn't reoccur, we can reduce the human toll and of course, the cost to the taxpayer.”

– Launch Housing CEO Bevan Warner.¹²

How do we reduce housing poverty?



Build more social housing

The Community Housing Industry Association, Homelessness Australia, National Shelter, and the national housing campaign, Everybody's Home, have called for a Social Housing Acceleration and Renovation Program (SHARP)¹³. This would enable the delivery of at least **30,000 additional social housing units and the renovation many thousands more existing properties to high environmental standards**. SHARP proposes social housing maintenance and upgrading; acquisition of sites and properties requiring renovation/completion which are suitable for social housing; shovel ready development projects and longer term new development projects. They say **3/4 of the 30,000 new homes could be completed within 3 years**. More 6,000 new homes could begin construction within the next 6 months if they are supported by Federal Government investment.¹⁴



Immediate renovation work on existing social housing properties will improve their energy efficiency, and bring down bills for tenants. It will improve the standards so that everyone can stay safe and healthy inside their own homes.

– Community Housing Industry Association (CHIA) CEO, Wendy Hayhurst

For less than the \$25,000 homebuilder grant we could retrofit a social housing property. On average this would cover solar, a hot water heat pump, upgrades to thermal performance (through underfloor, cavity or rooftop insulation, sealing and draught-stopping), a good-sized battery, and replacing gas heating with electric.¹⁵



Supporting renters is also important

Commonwealth Rent Assistance (CRA) helps people who are renting and rely on the income support system, including low income families. Before the COVID-19 pandemic, 2 in 5 of the 1.3 million Australian households renting privately and CRA lived in chronic housing stress (paying more than 30% of their total income in rent).¹⁶

A 2019 Productivity Commission Report¹⁷ found that over the past 20 years rents have been rising faster than the consumer price index, the rate at which CRA is indexed. CRA has not been increased in real terms since 2000. As a result, between 2001 and 2018, the average share of rents covered by CRA fell from 28% to 24%.

In June 2020 the median rent people relying on JobSeeker and receiving CRA were paying was \$225 per week. They were receiving \$65.80 per week in CRA.¹⁸ The Coronavirus Supplement was helping them make up the shortfall.

Commonwealth Rent Assistance, September 2020¹⁹

	Max rate of CRA paid per week	Rent must be at least per week
Single no children	\$70	\$155
Sole parent with 1-2 children	\$82	\$191
Couple with 1-2 children	\$82	\$230

ACOSS and members of the [Everybody's Home](#) campaign say CRA should be raised by 50% pending a broader review of the payment. This would reduce help protect from poverty, the nearly 1.7 million households who were receiving it in June 2020 (a 32% increase since December 2019 before the COVID-19 pandemic commenced). The increase for those receiving unemployment payments needing this help was 135% over the same time.²⁰

Why are so many low-income people renting in the private market?

More than 2.65 million people, or over 1 million households, rented in the private market in 2018. A rise in housing prices alongside the decline in social housing has led to a large increase in low-income people renting in the private market.²¹

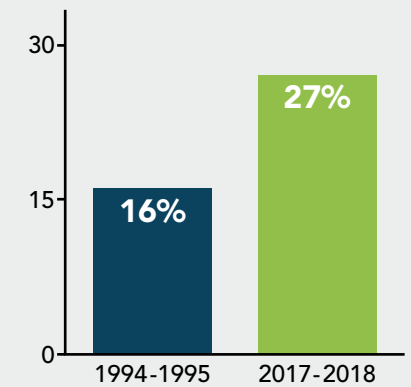
How would building more social housing help our economy?

The federal government could save almost 20,000 jobs a year if it builds more social housing. Constructing 30,000 social and affordable homes over the next 3 years would generate a steady pipeline of jobs for tradies that would otherwise run out of work. There would be extra work for scaffolders, planners and surveyors. This large 'economic multiplier effect' explains why committing to a pipeline of 30,000 social homes over the next four years would save between 15,540 and 18,050 jobs a year, according to SGS Economics and Planning.²²

In response to the GFC, the Rudd-Gillard Government introduced a Social Housing Initiative which provided direct funding for the construction of new dwellings, which saw 19,700 new dwellings built and led to the creation of around 9,000 full-time jobs in the construction industry. It also included repairs and refurbishment for up to 60,000 existing social housing dwellings.²³ Independent analysis by KPMG found that for every \$1 invested, \$1.3 went into the economy.²⁴ This does not include the savings from crisis accommodation, health and other costs associated with homelessness and housing poverty.

Australian Industry Group Chief Executive Innes Willox said: ***"The ideal economic recovery options are those that boost jobs now while delivering long-term payoffs. Upgrading low income housing meets that test, with immediate activity in construction, building materials, appliance supply and trades; and decades of better lives, lower bills and a stronger energy system."***²⁵

Percentage of low-income Australians renting in private market 1994-95 and 2017-18



Data sourced from Productivity Commission 2019, "Vulnerable Private Renters: Evidence and Options", Commission Research Paper, Canberra

What you can do to help

Anti-Poverty Week is partnering with the [Everybody's Home](#) campaign to help ensure all Australians have a safe, secure and affordable home. See the Anti-Poverty Week [website page Everybody's Home](#) for more information and to find out how you can get involved.

Produced by Anti-Poverty Week as part of its Fast Facts series. Data correct as of 17 September 2020.

¹ Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2020), *Poverty in Australia 2020: Part 1, Overview*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 3, Sydney: ACOSS

² Davidson, P., Bradbury, B., Hill, T., and Wong, M. (2020), *Poverty in Australia 2020: Part 2 – Who is Affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS. See also See also [Laura Tingle opinion piece 1/8/20](#).

³ [Media Release, Everybody's Home campaign](#), 11/12/19 and <https://www.ahuri.edu.au/research/ahuri-briefs/where-is-greatest-need-for-social-housing-in-australia>

⁴ <https://www.ahuri.edu.au/research/ahuri-briefs/where-is-greatest-need-for-social-housing-in-australia>

⁵ See [Activities during Anti-Poverty Week 2019 that focused on Newstart – increasing understanding and taking action collectively](#).

⁶ Mother responding to National Council for Single Mothers and Their Children Coronavirus Supplement Survey, May 2020. See also [550 Reasons to Smile](#) and [APW Media Release 13/7/20](#).

⁷ Ebbs House is a transitional accommodation service for adult men and women who are experiencing homelessness operated by Mission Australia in Brookvale NSW. Residents are supported with case management, practical support and social connection to help them transition into sustainable housing.

⁸ See also SMH Domain, [How coronavirus has snapped Australia's fragile rental system](#), 26/6/20

⁹ Mother responding to National Council for Single Mothers and Their Children Coronavirus Supplement Survey, September 2020. See also [550 Reasons to Smile](#) and [APW Media Release 9/9/20](#).

¹⁰ [Media Release, Everybody's Home campaign](#), 11/12/19.

¹¹ <https://www.abc.net.au/news/2020-06-08/housing-homeless-in-pandemic-has-worked-lets-make-it-permanent/12330442>

¹² <https://www.abc.net.au/news/2020-06-08/housing-homeless-in-pandemic-has-worked-lets-make-it-permanent/12330442>

¹³ Building the Recovery: Investment in social housing will create jobs and improve social outcomes during the pandemic, 5/5/20. See also [Full Sharp Report](#), 25/5/20.

¹⁴ Community Housing Industry Association, [At least 12,500 shovel ready homes ready to go](#), 15/9/20

¹⁵ Jeremy Burke, head of product and strategy at Impact Investment Group, writing in [The Guardian](#), 9/6/20.

¹⁶ Productivity Commission 2019, "Vulnerable Private Renters: Evidence and Options", Commission Research Paper, Canberra.

¹⁷ Productivity Commission 2019, "Vulnerable Private Renters: Evidence and Options", Commission Research Paper, Canberra.

¹⁸ [DSS Demographics, June 2020](#).

¹⁹ [Services Australia website](#), accessed 17/9/20.

²⁰ Data from [DSS Demographics](#), December 2019 and [DSS Demographics, June 2020](#).

²¹ Productivity Commission 2019, "Vulnerable Private Renters: Evidence and Options", Commission Research Paper, Canberra.

²² <https://thenewdaily.com.au/finance/property/2020/06/03/home-buyer-social-housing-jobs/>

²³ [Social Housing Initiative – Fact Sheet](#)

²⁴ [Full Sharp Report](#), 25/5/20.

²⁵ [50 plus organisations propose a smart housing installation boom to make a real difference](#), 19/6/20