

5 Assistance for housing

5.1 Introduction

This chapter examines current information on housing assistance: household types, characteristics of the recipients of housing assistance, the nature of assistance, and government expenditure.

The demand for housing in Australia continues to grow. Recent research suggests that over the 9-year period 2002 to 2011 an additional 1,149,000 dwellings are projected to be required in Australia (McDonald 2003b). Whether due to cost, availability or adequacy, not all Australians will be able to secure housing in the private market. To address this, government provides a range of housing assistance to overcome the problems that households face in obtaining or retaining suitable accommodation and to provide households with the flexibility to meet changing demand.

A key issue for low-income households is access to affordable housing that meets their needs. The Affordable Housing National Research Consortium commissioned a series of papers in 2001 to explore the nature of housing affordability in Australia. Their analysis identified that housing affordability problems have intensified significantly over the past 15 years and that housing for low-income households, in particular, is failing to meet the rising demand. The report also surmised that the existing housing subsidies provided through both the Commonwealth-State Housing Agreement (CSHA) and the social security system (Commonwealth Rent Assistance), although making a vital continuing contribution to housing affordability, are inadequate (at current and prospective overall volumes of support) by themselves to deal with the worsening situation (Affordable Housing National Research Consortium 2001).

In addition, maintaining current levels of social housing that is affordable requires high levels of housing subsidy where the rental income received from tenants may not cover the costs of housing provision. Just as housing costs have risen for private households, the costs to government and community have also increased along with the value of rebates (see Section 5.3).

How governments may provide affordable housing to meet growing needs forms part of the current policy debate and research agenda. This includes examination of the size and role of social housing, options to improve the availability of low-rent private dwellings to low-income households and the role of home ownership (Ministerial Taskforce on Affordable Housing 2002). In Australia, the social housing sector, comprising public and community housing, charges rents as a proportion of the household's assessable income up to a ceiling equal to market rent. As a result, most households in social housing pay between 20% and 25% of their assessable income in rent. Due to these arrangements, only the social housing sector can guarantee to provide housing that is affordable.

In 1999, 31% of private renters, 18% of those with a mortgage and 4% of those who own their homes outright were paying more than 30% of their income on housing costs (AIHW 2001a). While for some households these high costs may be influenced by lifestyle choices, a significant proportion may be experiencing housing stress.¹ Impacts can include financial hardship, overcrowding and homelessness, family instability, social isolation, reduced access to the labour market and lower levels of educational attainment (Affordable Housing National Research Consortium 2001; Ministerial Taskforce on Affordable Housing 2002). Household affordability has also been found to be a key factor in relation to health, with rising housing costs associated with reduced health status (Affordable Housing National Research Consortium 2001; Phibbs 1999).

Successive governments have reinforced the goal of home ownership, with the Australian social security system traditionally being underpinned by high rates of owner occupation (McDonald 2003a). Assistance to home owners is provided through a range of programs and policies, including subsidies such as the first home owners grants, exemption from capital gains tax and exemption from social security assets testing (see Section 5.4).

Related to housing affordability is the sustainability of specific housing markets and forms of housing assistance. For example, home purchase may be attempted but not maintained for some households where economic and social environments change. In addition, access to private rental is difficult for some household types as private rental markets often cater to specific household types where there are good returns on investments and long-term growth potential. This may result in growth in high rental value stock, with low rent stock not increasing in line with demand.

The 2003 Commonwealth–State Housing Agreement

The Commonwealth and the states and territories have negotiated the 2003 Commonwealth–State Housing Agreement (CSHA), which is designed to provide strategic directions and funding certainty for the provision of housing assistance across Australia in the 5 years from 1 July 2003. It includes provision for bilateral housing agreements between the Commonwealth and each state and territory, allowing each jurisdiction more flexibility in delivering housing assistance according to its priorities and circumstances (Box 5.1).

Under the 2003 CSHA, Commonwealth, state and territory governments have continued to fund the Australian Housing and Urban Research Institute (AHURI) to generate policy relevant research in the related fields of housing and urban development. AHURI is a joint venture between governments and universities. Each year, research themes and key topics are reviewed by government, academic and university representatives, and key research areas identified. Up to \$2.6 million per annum is available for research to be undertaken by AHURI research centres, which are located in all states and territories. There are nine broad research themes for 2003:

1 Housing stress is defined by the National Housing Strategy (1991) as 'Income units are said to be in financial housing stress if they pay more than 30% of income on housing and are in the lowest 40% of the income distribution range'.

Box 5.1: The 2003 Commonwealth-State Housing Agreement (CSHA)

The 2003 Commonwealth–State Housing Agreement will provide an estimated \$4.75 billion, primarily for public, community, Indigenous and crisis housing.

The new CSHA consists of a multilateral agreement accompanied by bilateral agreements between the Commonwealth and each state and territory. The CSHA specifies the guiding principles, funding arrangements and operating procedures. It also specifies an outcomes measurement framework based on bilateral information and a core set of nationally consistent indicators and data for benchmarking purposes. This includes the National Housing Data Agreement (NHDA) as a subsidiary agreement to the CSHA. Under the NHDA, the Commonwealth and the states and territories will provide such data as are required under the Data Agreement, according to specified standards, and will provide specific funding for data management and other purposes.

The bilateral housing agreements allow for flexibility in the delivery of housing assistance according to each jurisdiction's needs and priorities.

The major guiding principles underlying the Commonwealth–State Housing Agreement include:

- to maintain a core Social Housing sector to assist people unable to access alternative suitable housing options;*
- to develop and deliver affordable, appropriate, flexible and diverse housing assistance responses that provide people with choice and are tailored to their needs, local conditions and opportunities;*
- to provide assistance in a manner that is non-discriminatory and has regard to consumer rights and responsibilities, including consumer participation;*
- to commit to improving housing outcomes for Indigenous people in urban, rural and remote areas, through specific initiatives that strengthen the Indigenous housing sector and the responsiveness and appropriateness of the full range of mainstream housing options;*
- to promote innovative approaches to leverage additional resources into Social Housing, through community, private sector and other partnerships; and*
- to ensure that housing assistance supports access to employment and promotes social and economic participation.*

The Commonwealth and the states and territories agree that the bilateral agreements will be the main instruments for approving housing assistance outcomes and objectives. The agreements contain an integrated outcomes-measurement framework that identifies objectives and outcomes to be achieved during the life of the agreement and details how performance in achieving those objectives and outcomes is to be measured.

Source: Commonwealth of Australia.

1. Housing assistance programs;
2. Housing futures;
3. Program integration and housing assistance;
4. Urban management and infrastructure;
5. Transforming communities;
6. Indigenous housing;
7. Homelessness and marginal housing;
8. The housing system; and
9. The policy horizon.

5.2 The economic and social background

This section presents current data around some of the policy issues raised in the previous section relating to the importance of housing assistance for health and welfare, changes in the demographic profile, housing affordability, tenure changes and security, and the distribution of government assistance.

In Australia, housing assistance is an important element of Commonwealth, state and territory governments' social policy and welfare frameworks. The Commonwealth and the states and territories have developed and implemented strategies aimed at providing housing assistance to people on low incomes or with special needs, and at preventing and reducing homelessness. These include the Commonwealth-State Housing Agreement (see Box 5.1), the Stronger Families and Communities Strategy, the National Homelessness Strategy, and the Building a Better Future: Indigenous Housing to 2010 statement.

Housing assistance by its nature differs from most of the community services programs discussed in other chapters of this report, as it provides shelter which is basic to general health and wellbeing (AIHW 2001a). A lack of housing assistance can also be a trigger that contributes to the need for broader types of welfare assistance. For example, an eviction in some circumstances can lead to children being placed in 'foster' care, changing education and job opportunities and a life event that may impact on a person's physical and mental wellbeing.

Health and housing

Extensive research has shown a strong link between housing and health. Overcrowding, dwelling condition and tenure type have all been identified as housing-related factors that can impact on health (see, for example, Dunn 2000; Howden-Chapman & Wilson 2000; Waters 2001).

In May 2001, Australian Housing Ministers adopted a new policy of 'safe, healthy and sustainable housing for Indigenous Australians'. Implementation of this policy is designed to provide better housing and housing-related infrastructure, which it is hoped will lead to improved environmental health outcomes for Indigenous people. Box 5.2 describes the nine healthy living practices contained in this strategy.

Box 5.2: Approaches to healthy housing

Under the National Framework for the Design, Construction and Maintenance of Indigenous Housing. Nine healthy living practices have been identified as part of the strategy:

- *washing people, particularly children under 5 years of age*
- *washing clothes and bedding*
- *removing waste safely from the living area*
- *improving nutrition – the ability to store, prepare and cook food*
- *reducing crowding and the potential for the spread of infectious disease*
- *reducing negative contact between people and animals, vermin or insects*
- *reducing the negative impact of dust*
- *controlling the temperature of the living environment*
- *reducing trauma (or minor injury) around the house and living environment.*

Source: Commonwealth, State and Territory Housing Ministers' Working Group 1999.

The World Health Organization (1998) has recognised that poorly constructed and maintained houses can put people's health and lives at risk. In its 1998 World Health Report it identified several features of the housing environment that directly or indirectly impact on the health of occupants, including:

- the structure of the shelter, including the extent to which it protects the occupants from the elements;
- the provision of adequate water supplies;
- the provision of proper sanitation and waste disposal; and
- overcrowding, which can lead to household accidents and the increased transmission of airborne infections such as acute respiratory infectious diseases, pneumonia and tuberculosis.

Overcrowding

The impact of overcrowding on people's health and wellbeing is difficult to isolate, as overcrowding is often associated with other factors such as a low socioeconomic status and higher unemployment. However, overseas studies have shown that overcrowding is associated with a number of negative health outcomes such as meningococcal disease, tuberculosis, rheumatic fever, respiratory infections, *Haemophilus influenzae* and *Helicobacter pylori* infection (Howden-Chapman & Wilson 2000). It has also been shown to be associated with higher rates of smoking and hazardous drinking, and with poorer self-reported mental and physical health in adults (Waters 2001). Waters points out that 'it is difficult to speculate on whether overcrowding in Australian homes is likely to have a direct effect on health' (Waters 2001:17).

Housing New Zealand has just commenced a 5-year Crowding and Health Study. This study will assess the relationship between household overcrowding and hospitalisation rates for diseases such as meningococcal disease, pneumonia and skin infections, and whether moving to a less crowded house reduces the risk of such diseases (Wellington School of Medicine and Health Sciences 2003). This follows the implementation of a pilot program, the Healthy Housing program, which focuses on reducing diseases associated with overcrowding and generally improving the condition of Housing New Zealand properties (Housing New Zealand Corporation 2003).

Dwelling condition

The condition of housing stock can have a significant impact on the health of occupants. For example, cold housing, mould and dampness in the home are associated with wheezing, breathlessness, cough, meningococcal infection and asthma (Shaw et al. 1999). Breakdown in the 'health hardware' of homes – water, waste removal and power facilities, has contributed to the high incidence among Indigenous people, especially children, of such conditions as skin and eye infections, diarrhoeal disease, respiratory illness and hepatitis (Commonwealth, State and Territory Housing Ministers' Working Group on Indigenous Housing 1999).

Tenure type

Home owners tend to have better health than people who rent. For example, people who own their own home have a healthier and longer life and have lower death rates than those in rented properties (Waters 2001). People in rental accommodation have been found to be more likely than home owners to report fair or poor health and to visit the doctor more often. Howden-Chapman and Wilson (2000) suggest that security of tenure and control over accommodation may be important contributors to the health benefits of home ownership.

Homelessness has also been found to be associated with poor health. In general, homeless people have been found to have much poorer health than the general population (Dunn 2000).

Welfare and housing

The most noticeable effect of housing assistance on welfare is its ability to improve a household's command over goods and services, by reducing the amount of household budget that has to be allocated to meet housing costs.

In 1998–99, the Australian Bureau of Statistics (ABS) estimated that one-third of households (2.4 million) were regarded as under financial stress (see Table 2.20). These households reported two or more financial stress indicators – for 1.5 million households the degree of stress was moderate, while 900,000 were reported as experiencing higher financial stress.

Burke and Ralston (2003) reported that, in 1998–99, 39% of public renters and 45% of low-income private renters could not afford to pay for utilities. This compares with 16% for all households. In addition, 8% of public renters and 13% of low-income private renters went without a meal, compared with 3% of all households. Public renters and

low-income renters are also nearly five times more likely to seek assistance from welfare agencies: 16% and 15% respectively, compared with 4% for all households (see Table A5.2).

Financial stress also affects a household's ability to achieve security of tenure, which has a range of non-housing benefits. For example, frequent moves have been shown to negatively impact on children's school performance, particularly if the move is unplanned and occurs during the school year. This may be particularly difficult for low-income families who are often forced to move into a completely new area to access crisis or other affordable housing. Families can also experience increased pressure on relationships due to the leaving behind of important social networks and links to the local community (Phibbs 2002).

In a study of public housing tenants in Queensland (Morrison 2000), tenants were asked about the impact of public housing on their lives. The most frequent response was that it provided security of tenure and a sense of physical and psychological security. In addition, parents felt that the stability provided by public housing was of significant benefit to their children. Morrison's study also showed that the stability provided by security of tenure has a positive impact on locating and maintaining employment.

A lack of affordable housing can lead to overcrowding, which has been shown to have an impact on children's academic achievement. Those living in crowded conditions do not perform as well in reading, language and arithmetic as those children with private home space. Children who live in overcrowded conditions have also been shown to be more likely to experience broken sleep, due to sharing rooms, and to be more aggressive than their non-crowded peers (Phibbs 2002).

Spatial aspects of housing

Social and economic reforms such as economic restructuring accompanying globalisation have produced new forms of economic and social disadvantage and the need for housing assistance has changed from that previously experienced. Recently, housing assistance has been placed in a broader context and more focus is being placed on its ability to address such issues as social polarisation, social exclusion, social fragmentation, spatial concentration and ghettoisation (Dodson & Berry 2002).

Similarly, 'gentrification' has placed increasing pressure on the need for housing assistance to be part of the reshaping of urban areas. Gentrification involves the movement of high-income and high-labour force populations to previously declining inner urban locations, resulting in housing market price shifts displacing the existing less advantaged residents (Smith 1996). This has led to the displaced lower socioeconomic status and disadvantaged inner-city populations having to move to outer urban locations (Freestone & Murphy 1998; Logan 1985).

The studies of spatial inequality and polarization within Australian cities, particularly that of Wulff and Reynolds (2000), have noted that low-income households have been increasingly concentrated in outer suburbs. Locationally sensitive socioeconomic studies of Sydney and Melbourne found that most disadvantage was present in the 'old industrial' areas, such as the west, north and south-east of Melbourne. These areas were noted as experiencing housing and income disadvantage, higher unemployment, lower

labour force participation, higher rates of early retirement for men and women, and high unemployment among young people—all indicators of disadvantage (McDonald 1995; McDonald & Matches 1995).

The community in which a person lives can also impact on their employment, educational, health and social outcomes. For example, areas with high traffic noises can contribute to language delays in children, and broken sleep patterns can affect educational attainment. Findings from an American study of disadvantaged families who were moved to a 'white, middle class suburb' (Rosenbaum 1991) indicated:

- lower drop-out rates (5%, compared with 20%);
- slight improvement in grades;
- higher proportion completing college (40.3%, compared with 23.5%);
- higher rates of college enrolment; and
- higher rates of employment, and better pay and conditions for employed youth.

Employment outcomes have been shown to be affected by a number of factors, including access to employment opportunities and to public transport. In addition, the availability of support services such as job assistance programs, training programs and child care is also important. The community can play a key role in employment outcomes, as news of jobs available may frequently be gained through 'informal knowledge networks' (Bryson 2000).

Demographic changes and the housing profile

Between 1971 and 2001, the Australian population increased from 13.1 million people to 19.0 million, with a concurrent rise in the number of households from 3.7 million to 7.1 million. This number is projected to grow to approximately 10.0 million by 2021 (ABS 2001c; AIHW 2001a).

The number of one-person households increased from 14% of all households in 1971 to 23% in 2001, with one-person households projected to show the greatest percentage increase of all household types between 1996 and 2021. This is partially related to the ageing of the population and the fact that older women, in particular, are more likely to live alone than others (see Table A7.2). In the 5 years between the two most recent population censuses, there was strong growth in lone person households relative to family and group households (Table 5.1).

Table 5.1: Australian household types 1996 and 2001 ('000s)

Household type	1996	2001
Family ^(a)	4,583	4,866
Lone person	1,433	1,616
Group	266	263
Total^(b)	6,496	7,072

(a) Comprises one, two and three family households.

(b) Includes 'Visitors only' and 'Other not classifiable' households.

Source: ABS 2001c.

While the number of households has increased, household size has decreased, with the average number of people per household falling from 3.3 in 1971 to 2.6 in 2001 (ABS 2001c). This is consistent with the finding that the number of lone person households is increasing. The average household size in Australia is projected to decline to between 2.2 and 2.3 persons per household by 2021 (ABS 1999). These anticipated changes mirror the trends projected for Canada, New Zealand and the United States (AIHW 2001a).

Tenure types

In 2001, 42% of Australian households fully owned their home, 28% were still purchasing their home and 25% were renting (Table 5.2). Indigenous Australians are less likely to own or be purchasing a home than renting (32% being purchased or fully owned and 61% renting). This situation is reversed for non-Indigenous Australians, of whom 71% are either purchasing or fully own their home and 25% are renting.

Of the approximately 2.0 million households who rented their dwelling, the greatest proportion of these (74%) were renting privately, 17% were renting from a state housing authority and 2% were in community housing (Table 5.3). Indigenous Australians are more than 3 times more likely to be living in public or community housing than non-Indigenous Australians (55%, compared with 18%).

Table 5.2: Type of tenure for occupied family and lone person private dwellings, 2001

Tenure type	Indigenous		Non-Indigenous		Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Fully owned	14,712	12.8	2,732,152	42.9	2,746,864	42.4
Being purchased	22,419	19.4	1,799,445	28.3	1,821,864	28.1
Being rented	70,648	61.2	1,562,920	24.5	1,633,568	25.2
Other tenure type	3,399	2.9	140,158	2.2	143,557	2.2
Not stated	4,181	3.6	132,210	2.1	136,391	2.1
Total	115,359	100.0	6,366,885	100.0	6,482,244	100.0

Note: The totals for each state do not add up to the exact total for Australia. This is because cells containing small values are randomly adjusted to avoid releasing information about particular individuals, families or households. The effect of random adjustment is statistically insignificant.

Source: ABS 2003b.

Table 5.3: Type of landlord for rented private dwellings, 2001

Landlord type	Indigenous		Non-Indigenous ^(a)		Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Private rental ^(b)	29,428	41.7	1,337,542	74.8	1,366,970	73.6
Public rental	23,974	33.9	293,197	16.4	317,171	17.1
Community housing	14,628	20.7	29,683	1.7	44,311	2.4
Other landlord type	1,587	2.2	105,883	5.9	107,470	5.8
Not stated	1,027	1.5	21,371	1.2	22,398	1.2
Total	70,644	100.0	1,787,676	100.0	1,858,320	100.0

(a) Includes 'Group', 'Visitors only' and 'Other not classifiable' households. These household types are excluded from Indigenous counts.

(b) Includes 'Private landlord not in same household', 'Real estate agent', 'Employer—government', 'Employer—other'.

Source: ABS 2002c.

Households in very remote regions are less likely than those in more populated areas to either fully own or to be purchasing their home (Table 5.4). In addition, the proportion of households purchasing their home decreases with increasing remoteness, from 29% in major cities down to 11% in very remote areas. Very remote Australia has more than 20 times the national average of community housing (21%, compared with 0.7%), which largely comprises Indigenous community housing (see Table 5.10).

Both public rental and private rental sectors contain a higher than average proportion of sole parents and single person households. Nearly one-quarter of public housing tenants are sole parents and almost 40% are lone persons. Couple-only households and lone person households are the most likely to own a home without a mortgage (35% and 28% of all homeowners without a mortgage respectively), whereas the largest proportion (42% of all homeowners with a mortgage) of couples with dependent children are the most likely to own a home with a mortgage (Table 2.5).

Table 5.4: Location of occupied private dwellings containing family or lone person households, 2001 (per cent)

	Major cities	Inner regional areas	Outer regional areas	Remote areas	Very remote areas	Total
Total households						
Fully owned	41.2	43.9	44.2	38.2	25.4	41.9
Being purchased ^(a)	28.9	28.6	24.3	19.7	11.1	28.1
Private rental ^(b)	19.6	18.0	20.1	26.0	25.1	19.4
Public rental ^(b)	5.1	3.9	4.5	5.8	5.9	4.8
Community housing ^(b)	0.4	0.5	0.8	2.2	20.8	0.7
Other tenure ^(c)	2.7	3.0	3.8	5.5	7.3	3.0
Not stated	2.1	2.0	2.2	2.5	4.4	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total dwellings (number)	4,282,474	1,371,240	683,021	103,327	42,182	6,482,244

(a) Cells in this table have been randomly adjusted to avoid the release of confidential data.

(b) Includes dwellings being purchased under a rent/buy scheme.

(c) Includes dwellings being occupied rent-free.

Source: ABS 2003b.

Tenure choices

Home ownership is the most desired form of tenure across all income ranges, ages and household composition types. The reasons for aspiring to home ownership are many, but include security, privacy, freedom to do your own thing, investment value and, in the long run, lower cost compared with renting. Between 1988 and 1997–98, there was an increase in the median age of first home purchasers from 30.2 to 31.5 years (Table 5.5). This was due to a decline in the percentage of young households (25–34 years) moving into home ownership, from 42% to 35%. The proportion of households becoming first home buyers also decreased in this period, from 70% in 1988 to 66% in 1997–98 (Baum & Wulff 2001).

While there are no data to confirm the reasons for this trend, various authors suggest the following:

- household compositional changes: including the changes in the nature of gender roles and the traditional roles to adulthood, and the increase in single person households which reduces the household's ability to service a loan;
- wider social changes: including the introduction of HECS and the requirement for repayments, delaying the ability to save for a housing deposit, and the increased uncertainty in the workplace due to increasing part-time and casual work;
- changes in affordability; and
- alternative sources of investment for households: there is an apparent trend among younger investors towards shares. Badcock and Beer (2000:1) found that 'people are now putting their capital into wealth-creating assets as opposed to bricks and mortar'.

Table 5.5: Age distribution of first home buyers, and age-specific home ownership rates,^(a) 1988 and 1997–98

Age of income unit reference person	First home buyers		All owner occupiers	
	1988	1997–98	1988	1997–98
	Per cent	Per cent	Rate	Rate
15–24 years	14.6	10.7	4.6	4.1
25–34 years	55.8	55.6	42.3	34.5
35–44 years	19.2	22.9	70.5	61.7
45–54 years	5.7	6.0	76.7	75.7
55 years or older	4.7	4.8	78.4	78.1
Total income units (per cent)	100.0	100.0	53.9	54.2
Total income units ('000)	391.0	463.4	4,095.8	4,948.2
Median age (years)	30.2	31.5	49.4	51.0

(a) As a proportion of all income units in each age group.

Source: ABS 2000c.

Box 5.3: Public rental versus private rental: the perceived advantages for potential clients

Public rental

Affordability

More affordable than private rental, even with Commonwealth Rent Assistance (CRA), because of the income-related subsidy.

Location and need

Public housing is provided where there is need (albeit in small numbers), whereas low-cost private rental is only available in certain locations.

Security

Greater security of tenure – cannot be evicted at landlord's discretion.

Support

Clients may be more easily able to get support to maintain tenancy.

Non-discriminatory

Better controls against discrimination due to Indigenous status, gender, household type, ethnicity or disability.

Private rental

Flexibility

Assistance is not tied to housing and is therefore flexible to changing circumstances (e.g. tenants are not trapped in declining areas).

Choice

Greater choice of dwelling (size, quality, location). Clients can choose their own standards and make their own trade-offs between, say, price and quality, or price and location.

Addresses lack of income

CRA directly confronts the main problem facing low-income households (i.e. lack of income).

Non-bureaucratic management

Frees tenants from the controls of public landlordism.

Fewer entry hurdles

Clients do not have to meet a whole range of eligibility criteria to gain housing.

Source: Burke 2002.

Those not purchasing their own home either rent privately, rent in the social sector² or are homeless (see Chapter 9). Private and social rental housing both have advantages and disadvantages which contribute to the desirability of these tenures (see Box 5.3).

2 In this chapter, social housing applies to all non-private rental housing and includes, but is not restricted to, public housing, community housing, Indigenous-specific community housing and crisis accommodation. It aligns with the ABS concept of a private dwelling, but excludes those renting in the private market and those living in their own home.

In a 1991 housing and location preferences survey carried out in Adelaide, the main advantages of public housing were affordability (42%), security of tenure (23%) and not having to do maintenance (15%). In contrast, 49% of private renters either could not identify one single advantage or said there were no advantages, 19% said choice of location and 7% listed choice of landlord (Baum & Wulff 2001).

Housing affordability

Trends in housing affordability

In 1999, 10% of all households in the two lowest gross weekly income quintiles were paying more than 30% of their income on housing, and 4% were paying more than half of their income on housing (see Table 2.6).

Real housing costs in Australia rose by 17 per cent between 1988 and 1999, from \$109 to \$128 per week. Purchasers experienced the biggest cost increase, with public tenants having the smallest increase (Table 5.6). The major contributors to the large rise in cost for purchasers were interest rates and increasing real house prices (Burke & Ralston 2003).

Table 5.6: Average weekly household disposable income, 1988–89 to 1998–99 (\$ per week in constant 1999 dollars)

	1988–89	1993–94	1998–99
All incomes			
Owner	656	627	655
Purchaser	851	860	920
Renting, public	471	409	385
Renting, private	694	628	675
All tenure	711	675	725
Low income			
Owner	368	357	380
Purchaser	492	474	538
Renting, public	339	323	294
Renting, private	389	389	398
All tenure	394	379	405

Source: Burke & Ralston 2003.

Over this period, there was some fluctuation in average weekly household disposable (after tax) income across tenures (Table 5.7). For public housing tenants, there was a steady decline which may have been largely due to the increased targeting of public housing to people on very low incomes. The percentage of households below the second quintile in public housing rose from 68% in 1988–89 to 72% in 1998–99 (Table A5.3).

Between 1988 and 1999, the proportion of income in real terms committed to housing costs by public housing tenants increased from 15% to 19%, and for low-income private renters the increase was from 32% to 33% (Table 5.7). During this same period, home purchasers consistently paid more in terms of dollar value for their housing, followed by private renters, whereas home owners paid the least (Table 5.8).

Table 5.7: Amount of disposable income after housing costs (\$ per week in constant 1999 dollars)

	1988	1993	1999
Renting public			
Housing expenses	69	73	73
Remaining income	402	293	313
% income spent on housing	14.6	19.9	18.9
Renting private (low income)			
Housing expenses	125	126	133
Remaining income	266	265	265
% income spent on housing	32.0	32.2	33.4
Renting private (all)			
Housing expenses	141	147	153
Remaining income	553	414	522
% income spent on housing	20.3	26.2	22.7

Source: Burke & Ralston 2003.

Table 5.8: Weekly mean housing cost, 1988–89 to 1998–99 (constant 1999 dollars), by tenure

Tenure type	1988–89	1993–94	1998–99
Owner	41	42	45
Purchaser	195	240	228
Public renter	69	73	73
Private renter	141	147	153
All	109	122	128

Source: Burke & Ralston 2003.

Home ownership affordability

A recent study by the Housing Industry Association speculated that young Australians are being priced out of the home ownership market due to an unprecedented deterioration in housing affordability (HIA 2003:i). The increase in housing prices relative to income was seen as a result of indirect taxes and land shortages.

The study calculated that indirect taxes accounted for 20–35% of the purchase price of a new house and land package, with the variation in the value of these taxes dependent on the local government area in which new houses were developed. The study noted more than 20 different state and local government taxes and levies on new housing, with the result that:

- in 2002, an estimated \$11 billion was levied on new housing—an average of \$67,000 per house; and
- over the past decade, indirect taxes have increased by 300% while general inflation only increased by 25%.

Included in this trend was the shift in taxation for community-wide urban infrastructure (e.g. public transport upgrades, major roads and social facilities), such that purchasers of new homes are now bearing the majority of the cost (rather than the cost being shared by the broader tax-paying community).

Box 5.4: The Commonwealth Inquiry into First Home Ownership

Terms of reference

Identify and analyse all components of the cost and price of housing, including new and existing housing for those endeavouring to become first home owners;

Identify mechanisms to improve the efficiency of the supply of housing and associated infrastructure; and

Identify any impediments to first home ownership, and assess the feasibility and implications of reducing or removing such impediments.

Particular attention should be given to the following matters as they affect the cost and availability of residential land and housing in both metropolitan and rural areas:

- the identification, release and development of land and the provision of basic related infrastructure;*
- the efficiency and transparency of different planning and approval processes for residential land;*
- the efficiency and transparency of taxes, levies and charges imposed at all stages of the housing supply chain;*
- the efficiency, structure and role of the land development industry and its relationship with the dwelling construction industry and how this may be affected by government regulations;*
- the effect of standards, specifications, approval and title requirements on costs and choice in new dwelling construction; and*
- the operation of the total housing market, with specific reference to the availability of a range of public and private housing types, the demand for housing, and the efficiency of use of the existing residential housing stock.*

Source: Productivity Commission 2003.

The report also identified the important impact of decisions around the release of land for new housing, noting that problems with land development approval have led to shortages of land for urban development. For example it was estimated that, in the Sydney region, demand for new housing in the next 5 years will be just over 27,000 dwellings. However, only 5,000 new lots are to be released annually. This shortage of land has increased land prices, increasing the relative share of land in total house prices, and ultimately increasing the overall cost of home ownership. In 1976–77, the share of land in the cost of the house ranged from 16% to 32%, while in 2002 it ranged from 32% to 60%. In Sydney, Brisbane and Perth, this proportion has doubled.

In recognition of the significant effect that government taxes, benefits and other activities have on affordability, particularly in relation to first home purchasers, the Commonwealth Government commissioned an Inquiry into First Home Ownership (Box 5.4). The Treasurer has asked the Productivity Commission to undertake a public inquiry to evaluate the affordability and availability of housing for first home buyers

recognising that 'the ability to achieve home ownership continues to be of vital importance in maintaining family and social stability'. The Inquiry Report is due on 31 March 2004 (Productivity Commission 2003).

The availability of affordable rental housing

While there was a 34% increase in total private rental stock between 1986 and 1996, there was a significant decline in stock at the lower end of the rental market. The number of low-rent stock fell from 246,800 to 177,400 dwellings, a reduction of 28%, and the number of high-rent stock rose from 131,300 to 231,600 dwellings, an increase of 76%.³ The largest increase occurred in the 'moderate to high' category, where there was a 96% rise in rental stock (AIHW 2001a:59).

In addition, the decline in real expenditure on public housing (see Section 5.3) means that people on low incomes are increasingly being forced to seek housing in the private sector. The apparent loss of low-cost rental housing stock raises the question of the degree to which the private rental market can provide a range of housing options for low-income households (Yates & Wulff 2000). Section 5.3 of this chapter provides details of the affordability of housing under various government programs.

Household size per dwelling

There are large differences in levels of housing utilisation across tenure types. Renters have the highest incidence of overcrowding, with 8% needing one or more additional bedrooms compared with 5% across all households. Owners without a mortgage have the highest incidence of underutilisation, with 85% having one or more bedrooms spare. Life-cycle factors may influence this result, especially the incidence of older persons living alone after dependent children have moved out of home (AIHW 2001a).

Condition of housing stock

The 1999 ABS Australian Housing Survey showed that approximately one in five (19%), of respondents reported major structural problems with their home (AIHW 2001a). In addition, 16% reported the need for interior repairs, and 17% reported the need for exterior repairs to their home. The situation is worse for Indigenous Australians, for whom 23% reported a need for interior repairs, and nearly one in three needed external repairs to their home (Table 5.9).

3 Low-rent stock includes dwellings for which households pay \$1–\$99 per week, using 1996 prices. High-rent stock includes dwellings for which households pay \$200 and over per week, using 1996 prices.

Table 5.9: Need for exterior and interior repairs, 2001 (per cent)

	All households	Indigenous households
Need for interior repairs ^(a)	16.1	22.9
Need for exterior repairs ^(a)	17.0	30.5
Estimated number of households ('000)	7,216.9	145.0

(a) Excludes 'Desirable but low need'.

Source: ABS 2001c.

Table 5.10: Condition of permanent dwellings managed by Indigenous housing organisations, 1999

	Urban Indigenous housing organisations	Discrete community Indigenous housing organisations	All Indigenous housing organisations
Minor or no repair	3,998	10,992	14,990
Major repair	725	3,299	4,024
Replacement	162	1,628	1,790
All IHO-managed permanent dwellings^(a)	4,885	16,402	21,287

(a) Includes 'Dwelling condition not stated'.

Source: ABS 2001a.

Indigenous Australians living in rural and remote areas are also more likely to be living in an improvised dwelling, or one that needs major repair or replacement, compared with those living in urban settings. The 2001 Census reported a total of 1,453 Indigenous households living in improvised dwellings, of which 1,023 (70%) were in outer regional, remote or very remote areas (ATSIC 2002b). In addition, the Indigenous Community Housing Infrastructure and Needs Survey (ABS 2002c) found that for dwellings located in discrete communities,⁴ 10% (1,628) needed replacement and 20% (3,299) needed major repair. This contrasts with 3% (162) needing replacement and 15% (725) needing major repair in urban settings (Table 5.10).

In 1999, renter households were almost 3 times more likely than owner-occupiers to be living in a dwelling in need of essential or essential and urgent repairs (14%, compared with 5%). In addition, renters were also more likely to report structural problems than owners (32%, compared with 14%) (Table 5.11).

4 A discrete Indigenous community is a geographic location, bounded by physical or cadastral (legal) boundaries, and inhabited or intended to be inhabited predominantly (i.e. greater than 50% of usual residents) by Aboriginal or Torres Strait Islander peoples.

Table 5.11: Condition of occupied dwellings, 1999 (per cent of dwellings)

	Tenure type of household		
	Owner ^(a)	Renter	Total ^(b)
In need of repairs ^(c)	53.7	64.1	56.8
In need of essential/essential and urgent repairs ^(c)	5.0	13.7	7.5
With major structural problems	13.6	32.1	19.0

(a) Comprises owners with or without a mortgage.

(b) Includes rent-free and other tenure arrangements.

(c) External and/or internal repairs.

Source: 1999 AHS in ABS 2002a.

Security of tenure

In the 1991 Survey of Housing and Location in Adelaide, 48% of home owners and 23% of public renters listed security of tenure as the main advantage of that tenure. However, for private renters, lack of security of tenure was the main disadvantage for 11% of those surveyed (Baum & Wulff 2001).

Social housing provides a greater security of tenure than private rental (Table 5.12). In 1999, 83% of state housing authority tenants had indefinite tenure, compared with only 23% of private renters. Private renters were also much more likely to have a month-by-month lease than those renting from a state housing authority (25%, compared with 7%).

While length of stay in a dwelling does not measure security of tenure, it can reflect the level of security a tenant has. Over half (52%) of state housing authority tenants had lived in their current dwelling for 5 years or more, compared with only 12% of private renters. Indigenous renters do not enjoy the same level of continuity of tenure as the general population, regardless of whether they are renting privately or through a state housing authority. In 1999, only 23% of Indigenous public renters had lived in their current dwelling for 5 years or more (Table 5.13). In fact, almost half of all Indigenous public renters (49%) had lived in their current dwelling for less than a year, compared with 16% for all public renters.

Table 5.12: Characteristics of renter households, 1999 (percentage of households in rent type)

	Private landlord	State housing authority
Had a fixed-term lease	47.6	5.9
Had a month-by-month lease	25.1	6.6
Had indefinite tenure	22.5	82.6
Satisfied with security of tenure	86.0	94.4
Satisfied with service provided by landlord	76.0	72.0
Change to household composition in previous year	33.6	14.5
Had lived in current dwelling for less than 1 year	47.7	15.9
Had lived in current dwelling for 5 years or more	12.4	51.7
Tenure of previous dwelling same as current dwelling	59.4	35.8
Owned another residential dwelling	11.0	..

Source: ABS 2002a.

Table 5.13: Indigenous households, housing history of reference person by tenure type, 1999 (per cent)

Selected characteristics of reference person	Owners		Renters		Total ^(a)	Total ^(b)
	Without mortgage	With mortgage	Public	Private		
Years in current dwelling						
One or less	*24.0	35.6	49.2	68.8	61.9	52.5
Two	**18.3	*13.5	*9.5	*12.0	11.2	12.1
Three	**10.5	*8.8	*7.7	*6.8	*7.5	8.7
Four or more	*47.2	42.0	33.6	*12.4	19.3	26.6
Total	*100.0	100.0	100.0	100.0	100.0	100.0
Number of times moved in last 5 years (reference person)						
None	*45.5	33.0	23.2	*10.7	14.5	20.6
Once	*34.4	31.7	*19.2	*10.1	15.4	21.2
Twice	**7.9	*15.3	*17.4	*14.6	15.3	14.4
Three or more	**8.7	*16.0	38.5	60.9	52.2	40.7
Total^(c)	*100.0	100.0	100.0	100.0	100.0	100.0
Estimated number of households	*5,300	30,500	26,700	38,800	75,900	115,300

*estimate has a relative standard error of 25% to 50%

** estimate has a relative standard error greater than 50%

(a) Includes other renter.

(b) Includes rent-free and other tenure.

(c) Includes number of times not known.

Source: ABS 2000a.

Workforce participation and tenure type

Table 5.14 shows the distribution across tenure types of principal income earners in 1999 who were neither on an age or disability pension nor in the workforce. Of all public tenants, 59% were not in the work force, compared with only 6% of all purchasers and 22% of all private tenants. The average for all tenures was 16%. In the two lowest quintiles, the differences were reduced but not greatly: in 38% of all households in the lowest quintile, the principal income earner was not in the workforce. For purchasers, however, it was only 20%, and for public tenants 77%. Given that all these income earners were in the same broad income category, this raises the question of what factors other than income are operative in shaping ability to participate in the workforce and seek out different tenure outcomes.

The majority of public renter households not on an age or disability pension were on some other type of Centrelink payment in 2002 (see Table 5.25 for details of Centrelink payment types at the income unit level).

Table 5.14: Principal income earners not in the workforce, 1999

Tenure type	All principal income earners		Principal income earner (lowest quintile)	
	Per cent	Number	Per cent	Number
Owner	15.9	318,722	33.3	226,010
Purchaser	6.3	128,399	19.6	95,805
Public renter	58.7	139,502	76.8	108,221
Private renter	22.3	329,860	52.2	256,646
All	15.9	916,484	38.2	686,682

Source: Burke & Ralston 2003.

The value and distribution of government assistance

Housing assistance varies in size and type across tenures. The value in 2002 of the major government programs and policies that provide assistance across tenures is shown in Table 5.15.

The distribution of government housing benefits and taxes has been illustrated in recent research by Yates (2002; see also AIHW 2003i). The most obvious is the assistance provided through capital and recurrent funding through the CSHA and CRA to public and private renters. The effect of this form of assistance is immediate and fairly easily measured.

A less obvious form of assistance is provided through the taxation and regulatory mechanisms of government. These areas of assistance may provide benefits to households over a lifetime and not be immediately obvious. In particular, the relatively high level of home ownership in Australia and the investment by Australians in their own home or as small property investors are facilitated by the assistance provided through tax and regulatory markets.

Table 5.15: Government expenditure on housing programs and policies, 2000–01

	\$ billion
Commonwealth–State Housing Agreement (CSHA)	1.4
Commonwealth Rent Assistance (CRA)	1.7
ATSIC Community Housing and Infrastructure Program ^(a)	0.2
First Home Owner Grant (FHOG)	1.4
ATSIC Home Ownership Program ^(a)	0.1
Non-taxation of imputed rent ^(b)	8.0
Non-taxation of capital gains ^(b)	13.0

Sources: (a) ATSIC 2002a; (b) AIHW 2003i.

These major forms of government assistance in 1999 were estimated to be distributed across income groups as follows⁵ (Table 5.16):

- CRA expenditure provided recipients on average with \$1,655 per year in benefits. The greatest value of benefits went to lower income households with over three-quarters of total CRA expenditure being received by households in the lowest two income quintiles (AIHW 2003i).
- The First Home Owner Grant (FHOG) provided eligible home purchasers with at least \$7,000 per eligible household. This 'one-off' form of assistance is not means tested.
- The average annual value of rent rebates provided to public renters was \$3,698 per year. The greatest value of benefits went to lower income households—the lowest two income quintiles received over 90% of the total value of rent rebates (AIHW 2003i).
- On average it is estimated that home owners without a mortgage received the equivalent of \$4,400 per year through tax expenditures. The value of this increased across income quintiles from \$0 in the lowest income quintile to \$8,800 for those households in the top income quintile.
- Home owners with a mortgage are estimated to have received the equivalent of \$900 on average per year through tax expenditures, ranging from \$0 in the lowest income quintile to \$2,100 per year in the highest quintile.

Table 5.16: Value of direct and indirect assistance to households (annual average amount per eligible household (\$)), 1999

	Household quintile (by weekly income from all sources)					All households
	1st quintile	2nd quintile	3rd quintile	4th quintile	5th quintile	
Recurrent expenditure						
CRA amount	1,645	1,694	1,709	1,342	979	1,655
FHOG amount ^(a)	7,000	7,000	7,000	7,000	7,000	7,000
Capital expenditure						
Public renters subsidy	3,550	3,990	3,710	3,325	..	3,698
Tax expenditure						
Outright owners	0	2,100	2,500	4,600	8,800	4,400
Home purchasers	0	400	100	500	2,100	900

(a) Estimate of FHOG value for 1999 based on value at time of introduction on 1 July 2000.

Source: AIHW 2003i.

5 These estimates are based on data from the 1999 ABS Australian Housing Survey and differ from values of assistance that can be calculated from the administrative data presented in Section 5.3. No single standard methodology for estimating tax expenditures is available and the estimated tax expenditures presented in this chapter are based on a set of assumptions that, if varied, would produce different results.

5.3 Housing assistance to low-income renters

Assistance across rental sectors

As noted in Section 5.1, assistance to renters is an important part of Australia's social policy and programs. Interest in what such assistance provides focuses on both the housing and non-housing outcomes. The impact of rental assistance over a lifetime and on social and economic participation has been the subject of recent research (King 2002). Similarly, the impact of assistance in supporting tenants to access needed services and contribute to community activity has been assessed in recent surveys of public and community housing tenants (see Figures 5.5 and 5.7).

In 2001–02, the value of assistance provided to private renters was almost \$1.9 billion. This comprised \$1.8 billion from the Commonwealth Rent Assistance (CRA) program, and almost \$80 million through CSHA private rent assistance.

In 2001–02, the Commonwealth, state and territory governments provided over \$1,392 million for housing programs under the CSHA (Table 5.17), with public and community housing accounting for the majority of this funding. The Commonwealth paid to the states and territories \$91 million for the Aboriginal Rental Housing Program, \$64 million for community housing and nearly \$40 million for the Crisis Accommodation Program.

In addition to social housing provided through the CSHA, the former Aboriginal and Torres Strait Islander Commission provided \$199 million for its Community Housing and Infrastructure Program for 2001–02 (see Table 5.15).

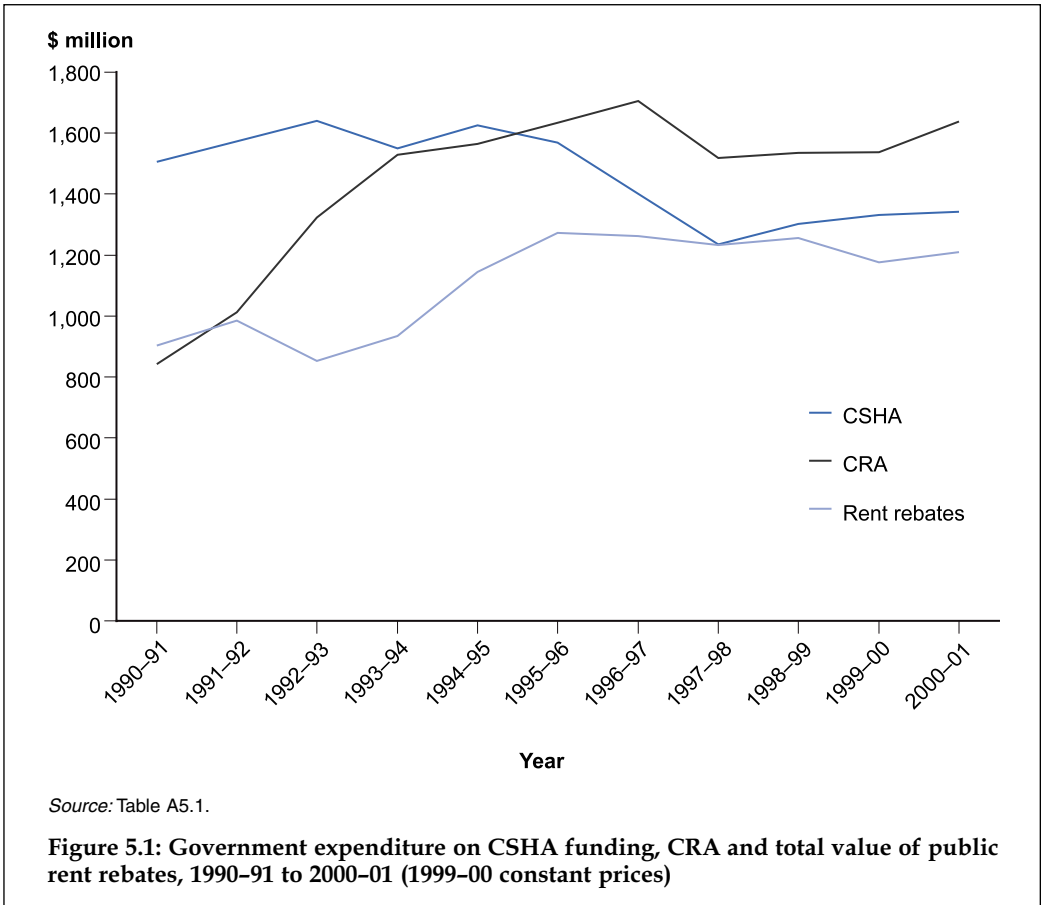
Over the period 1990–91 to 2000–01, there were significant shifts in government expenditure for the CSHA and CRA and in the value of public housing rental rebates (Figure 5.1). In 1990–91, government expenditure for the CSHA was 44% higher than for CRA. However, an increase of 95% for CRA expenditure and an 11% decrease for CSHA expenditure resulted in CRA expenditure surpassing that for the CSHA. The value of public housing rental rebates increased over the period until it was only 10% lower than expenditure through the CSHA.

Table 5.17: CSHA funding, 2000–01 and 2001–02 (\$m)

Funding arrangement	2000–01	2001–02
Base funding grants ^(a)	843.1	833.6
Aboriginal Rental Housing Program	91.0	91.0
Crisis Accommodation Program	39.7	39.7
Community Housing Program	64.0	64.0
State matching grants	368.8	364.1
Total	1,406.5	1,392.4

(a) Includes Public Housing, Home Purchase Assistance and Private Rental Assistance Programs.

Sources: FaCS 2003a, FaCS 2003b.



The figure should be interpreted with caution due to the differing nature of the programs. CRA is a recurrent expenditure program that is driven by demand (SCRCSSP 2002). Increases in CRA expenditure over the period are due to the extended coverage of the program and also to increases in the maximum rates of CRA during the early 1990s (FaCS 2001a, 2001b). CSHA expenditure includes recurrent and capital components. The capital component has provided funding for public housing stock totalling over \$30 billion that is continually used for housing assistance (FaCS 2001a). A decline in CSHA expenditure does not necessarily result in a decrease in available CSHA stock; however, recurrent expenditure may be reduced.

Figure 5.2 shows the distribution of recipients of rental assistance across the private, public and community rental sectors. The different data sources limit comparisons across sectors and highlight the need to improve data in the future (see Section 5.5).

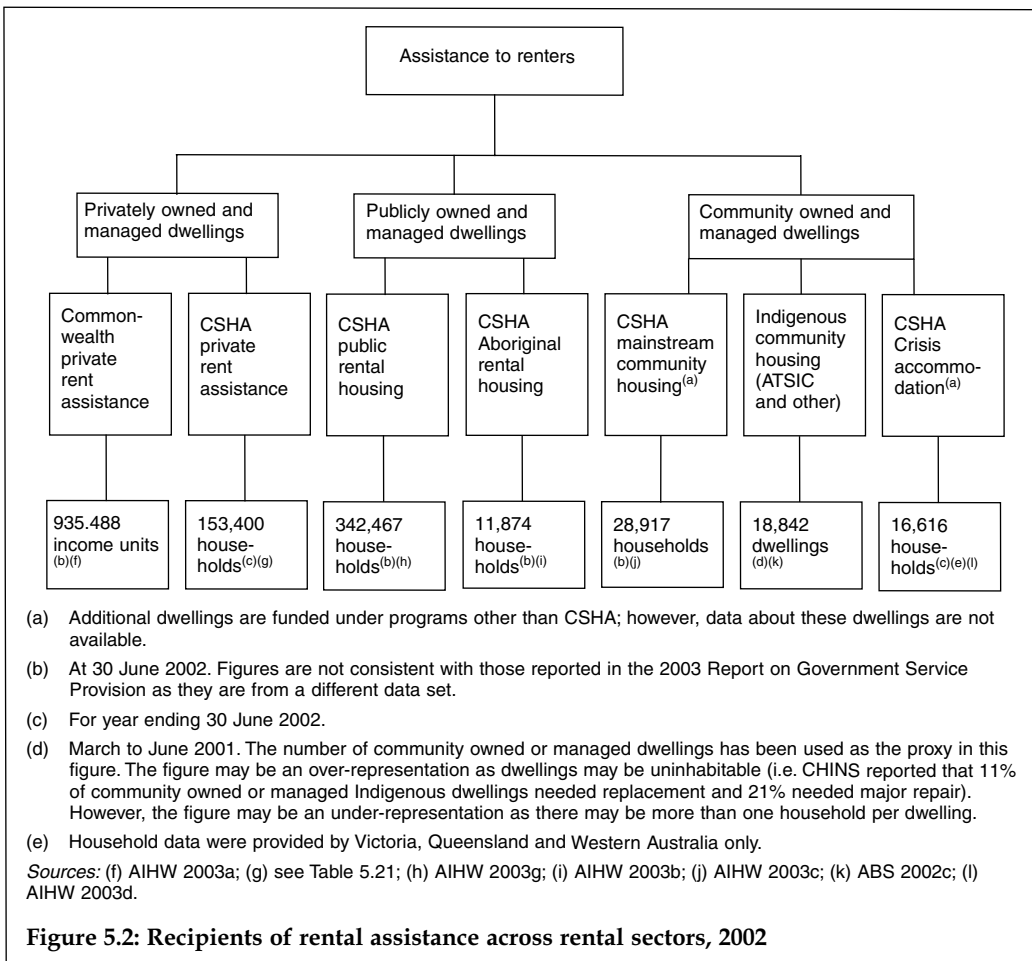
In June 2002 in the private rental market, 935,488 income units received Commonwealth Rent Assistance (CRA) (AIHW 2003a). Although it is not possible to readily identify how many households this represents, estimates based on 1999 ABS housing survey data indicate that in 1999 the 594,600 income units identified as receiving CRA were living in 426,200 households. This represents a ratio of 1.4 income units per household

(AIHW 2003i; see also AIHW: Karmel et al. 1998:191). Under the CSHA, private rental assistance was also provided to 153,400 households in 2001–02 (see Table 5.21). Because of the overlapping nature of these two types of assistance and because the data cannot be adjusted to avoid double-counting, the data cannot be added together to obtain a total number of households receiving some form of private rental assistance.

In June 2002, 342,467 households occupied mainstream public housing, paying either rebated or non-rebated rent. A further 11,874 households were occupying public housing specifically for Indigenous Australians, provided through the CSHA Aboriginal Rental Housing Program (see Table 5.22).

At least 28,917 households in June 2002 lived in mainstream community housing provided through the CSHA and state and territory community housing programs and other organisations not dependent on government funds (AIHW 2003c).

The 2001 ATSIC Community Housing and Infrastructure Needs Survey identified 18,842 permanent and temporary occupied dwellings that were managed by Indigenous community organisations (ABS 2002c:15).



In 2001–02, 16,616 households received crisis accommodation through the CSHA Crisis Accommodation Program in Victoria, Queensland and Western Australia (AIHW 2003d). Information about types of assistance provided to homeless persons through the Supported Accommodation Assistance Program can be found in Chapter 9.

In addition to the CSHA-funded and Indigenous targeted housing, other organisations also provide community housing. For example, several community housing organisations provide housing to aged persons using stock outside the CSHA that was established through subsidies provided by the Commonwealth Government under the Aged Persons' Homes Act. This housing is commonly referred to as Independent Living Units and approximately 33,000 dwellings were constructed between 1954 and 1996 (McNeils & Herbert 2003:viii). The size of this non-CSHA mainstream sector is significant (NCHF 1999). It should also be noted that some affordable housing initiatives funded under the CSHA may provide housing through not-for profit housing organisations but are not represented in CSHA community housing data as they are not funded through this program (see Box 5.5).

Assistance to private renters

In Australia, the current forms of housing assistance to the private rental market cover a range of policies and programs. The major types of assistance are:

- government budget outlays, including financial assistance to households to pay rent, bond and relocation costs;
- taxation expenditure, providing incentives for investors and landlords through negative gearing;
- government regulations and standards for tenants and landlords, including residential tenancy legislation and 'affordable housing' planning regulations; and
- other services, such as tenant advice services and automatic rent deductions for income support recipients.

As discussed in Section 5.2, private rental accommodation has unique attributes that make it a desirable form of assistance for some renters. Private renters have greater choice regarding the size, location and quality of their dwelling. Such choice may involve a trade-off between these factors and price, but it allows private renters to have direct control of their standard of living.

Commonwealth Rent Assistance

Commonwealth Rent Assistance (CRA) is a non-taxable income supplement paid through Centrelink to individuals and families who rent in the private rental market. Recipients of income support payments, including customers who receive more than the base rate of Family Tax Benefit Part A, who pay private rent above minimum thresholds may be eligible for CRA (FaCS 2003b). CRA is generally not paid to home owners/purchasers, people living in public housing, or residents of aged care facilities with government-funded beds.

Table 5.18: Income units having ongoing entitlement to and receiving CRA, June 2002 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
(CRA recipients as percentage of Centrelink client income unit type)									
Single sharer	26.9	24.6	31.0	25.2	19.3	19.3	27.4	16.6	26.1
Single, no children	22.1	20.9	28.4	24.3	18.8	19.7	15.5	16.5	22.7
Sole parent, 1 or 2 children	42.4	36.1	48.1	39.2	36.5	33.3	22.9	18.4	40.6
Sole parent, 3 or more children	40.3	33.5	48.4	34.8	35.1	34.6	18.6	14.9	38.9
Partnered, no children	10.3	7.2	13.5	8.9	5.6	6.6	5.8	7.7	9.3
Partnered, 1 or 2 children	28.4	20.0	31.7	20.5	17.8	16.9	23.4	11.0	24.9
Partnered, 3 or more children	24.0	15.9	28.9	16.3	15.4	15.0	17.7	9.7	21.3
Couple, no children, temporarily separated or separated due to illness	8.5	7.7	14.2	11.5	10.3	8.5	4.7	7.3	9.8
Total	23.5	19.9	29.1	22.7	17.8	18.1	17.8	14.7	22.9
Total Centrelink income units (number)	1,299,041	975,392	781,877	367,994	349,786	120,943	42,923	37,826	3,975,782

Source: AIHW 2003a.

CRA is paid at a rate of 75 cents for every dollar above the thresholds until a maximum rate is reached. The maximum rates and thresholds vary according to a customer's family situation and the number of dependent children they have. For singles without children, the rent thresholds and maximum rate also vary according to whether or not accommodation is shared with others. Rent thresholds and maximum rates are indexed twice each year (March and September) to reflect changes in the Consumer Price Index (CPI) (FaCS 2003b).

The Commonwealth Government provided more than \$33 million rent assistance per week in June 2002. This was equivalent to over \$1,749 million per annum in 2002 (AIHW 2003a).

Across Australia, approximately 23% of the 4 million Centrelink clients received CRA in June 2002 (Table 5.18; see also Table A5.4). This varied across states and territories from 15% in the Northern Territory to 29% in Queensland. Sole parents most frequently accessed CRA—41% of Centrelink clients who were sole parents with 1 or 2 children and 39% of Centrelink clients who were sole parents with 3 or more children. Only 9% of couples with no children received CRA. Over the 2 weeks ending 30 June 2002, 935,488 income units received rent assistance while 909,062 of them had an ongoing entitlement to CRA nation-wide.

Nationally, 2% of income units receiving CRA were Indigenous. The proportion varied between 0.6% and 3.2% for all states/territories, except for the Northern Territory where 15.3% of income units receiving CRA were Indigenous (Table A5.5).

Table 5.19: CRA recipients as a percentage of all Centrelink client income units, June 2002

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Indigenous	24.0	22.0	25.0	11.6	13.8	21.2	19.1	4.3	18.0
Non-Indigenous	23.5	19.9	29.3	23.3	17.8	18.0	17.8	26.3	23.0
Total	23.5	19.9	29.1	22.7	17.8	18.1	17.8	14.7	22.9
Total Indigenous Centrelink income units (number)	28,700	5,194	29,226	17,492	5,676	2,747	445	19,931	109,411

Source: AIHW 2003a.

Of all Centrelink clients in June 2002, 23% with an ongoing entitlement received CRA (Table 5.19). Of Indigenous clients, only 18% received CRA compared with 23% of non-Indigenous clients. Compared with the Indigenous national average of 18%, Western Australia and the Northern Territory had low proportions of Indigenous clients receiving CRA, at 12% and 4% respectively. These jurisdictions also had the largest differences between the proportions of Indigenous and non-Indigenous income units receiving CRA.

Nationally, 32% of all income units accessing CRA in June 2002 contained a person with a disability. This percentage varied from 28% in the Australian Capital Territory to 37% in the Northern Territory (Table 5.20).

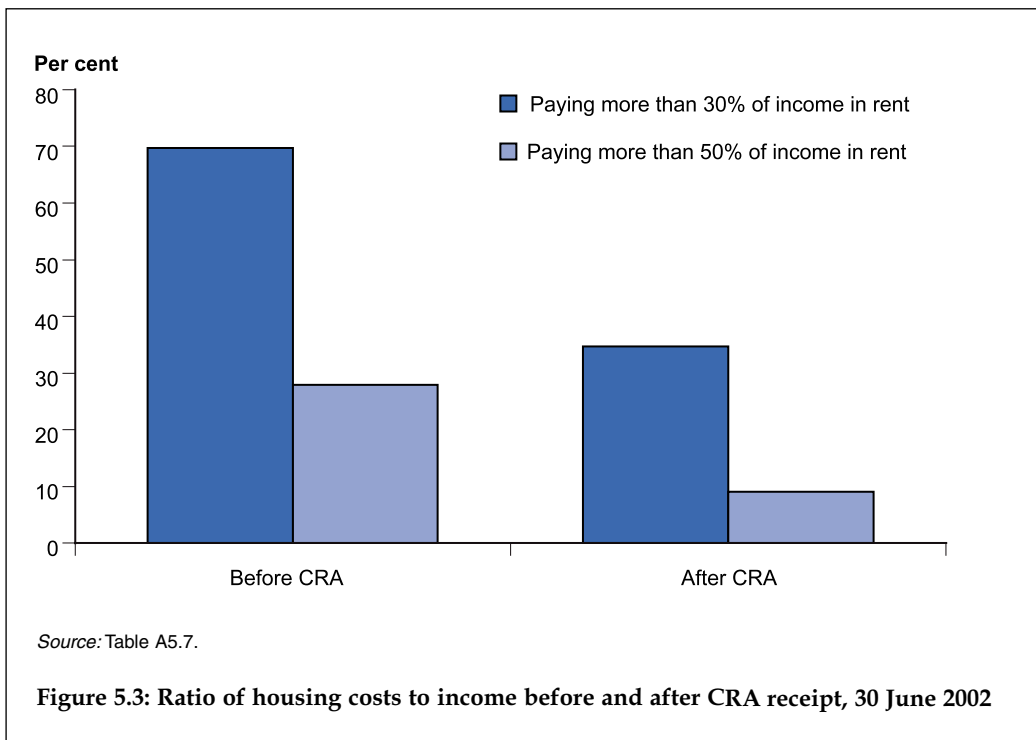
Newstart Allowance recipients represented the largest subpopulation of CRA recipients (22%). Across Australia, the proportion ranged from 19% in the Australian Capital Territory to 30% in the Northern Territory. In the ACT, 25% of CRA recipients were Youth Allowance recipients, compared with the national average of 10%. The other payment type showing a large deviation from national data is the Age Pension in the Northern Territory – national and Northern Territory percentages of CRA recipients also receiving the Age Pension were 16% and 8% respectively (Table A5.6).

The vast majority of clients were in either major cities or inner regional areas. Remote and very remote areas accounted for only about 1% of clients. The rate of entitlement to CRA among the income units who received above the minimum Family Tax Benefit declined significantly with the increase in remoteness (AIHW 2003a).

Table 5.20: Disability status of income units having entitlement to and receiving CRA, June 2002 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
With disability	31.5	31.7	33.2	33.8	34.3	31.1	27.5	37.1	32.4
Without disability	68.5	68.3	66.8	66.2	65.7	68.9	72.5	62.9	67.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total number	305,804	194,521	227,852	83,635	62,164	21,897	7,631	5,558	909,062

Source: AIHW 2003a.



CRA is designed to improve housing affordability by reducing the proportion of income that has to be spent on housing. A comparison of the proportions of income spent on rent before and after CRA indicated that the impact of assistance was substantial (Figure 5.3). On average, about 42% of income was spent on rent before CRA and the proportion was reduced by about 12 percentage points to less than 30% after CRA. CRA shifted the distribution of affordability towards the higher end. This was demonstrated by the changes in the pattern of the proportion of income spent on rent. Before CRA, 9% of income units spent up to 20% of their income on rent, 10% spent 20–25%, 11% spent 25–30% and 28% spent over 50%. These proportions of income units were 26%, 22%, 17% and 9%, respectively, after CRA (AIHW 2003a).

CRA reduced the costs of housing in relation to income for all age groups and narrowed the gap between the highest and the lowest.

The provision of CRA to private renters directly addresses the main issue for low-income households (i.e. lack of income) and assists in making private rental accommodation more affordable. As assistance is not tied to housing, it is more flexible to changing circumstances and allows private renters to have greater autonomy in their choice of home. Although clients need to meet eligibility criteria before receiving CRA, there are fewer entry hurdles to overcome than for public housing assistance.

CSHA private rent assistance

Funding is also provided under the CSHA, to enable people to access and maintain accommodation in the private rental market (AIHW 2003f). The types of assistance include:

- bond loans;
- assistance with rent payments, including advance rent payments and cash assistance additional to CRA; and
- relocation expenses, other one-off grants such as housing establishment grants, and advice and information.

In 2001–02, the states and territories provided almost \$80 million of CSHA-funded private rent assistance to over 153,000 Australian households. More than half of this assistance was in the form of bond loans (Table 5.21). The diversity of types of assistance, the way in which assistance is targeted across states and territories, and the lack of consistent national data make it difficult to gain a national perspective. For example, a single episode of assistance may involve a one-off rent payment subsidy to prevent eviction and homelessness, or it may take the form of long-term assistance such as provision of a rental supplement over several months to resolve a housing affordability problem.

Table 5.21: Assistance provided under CSHA private rent assistance, 2001–02

	NSW ^(a)	Vic	Qld ^(b)	WA	SA	Tas	ACT	NT	Aust.
Total households assisted (number)^(c)									
Bond loans	18,409	12,932	18,147	15,254	13,966	3,573	..	695	82,976
Rental grants/subsidies	10,692	26,470	830	..	17,341	1,256	..	..	56,589
Relocation expenses	1,191	1,942	..	..	..	168	..	..	3,301
Other one-off grants	4,525	1,576	..	..	..	4,433	..	..	10,534
Total households assisted	34,817	42,920	18,977	15,254	31,307	9,430	..	695	153,400
Total value of assistance (\$'000)									
Bond loans	14,485.0	7,364.1	10,580.0	5,340.0	6,998.0	944.7	..	420.8	46,132.6
Rental grants/subsidies	15,738.0	5,067.2	737.0	..	6,272.0	167.6	..	..	27,981.8
Relocation expenses	1,034.0	375.1	..	..	..	33.8	..	..	1,442.9
Other one-off grants	3,858.0	381.0	..	..	..	n.a.	..	..	4,239.0
Total value of assistance	35,115.0	13,187.4	11,317.0	5,340.0	13,270.0	1,146.1	..	420.8	79,796.3

(a) Figures represent the number of households that were approved for assistance in the 2001–02 financial year, not the actual number of households assisted.

(b) The proxy for number of households assisted is the number of bond loans paid to the Rental Tenancies Authority and the number of rental grants paid to the agent/lessor.

(c) Households may be eligible for more than one type of assistance.

Source: AIHW 2003f.

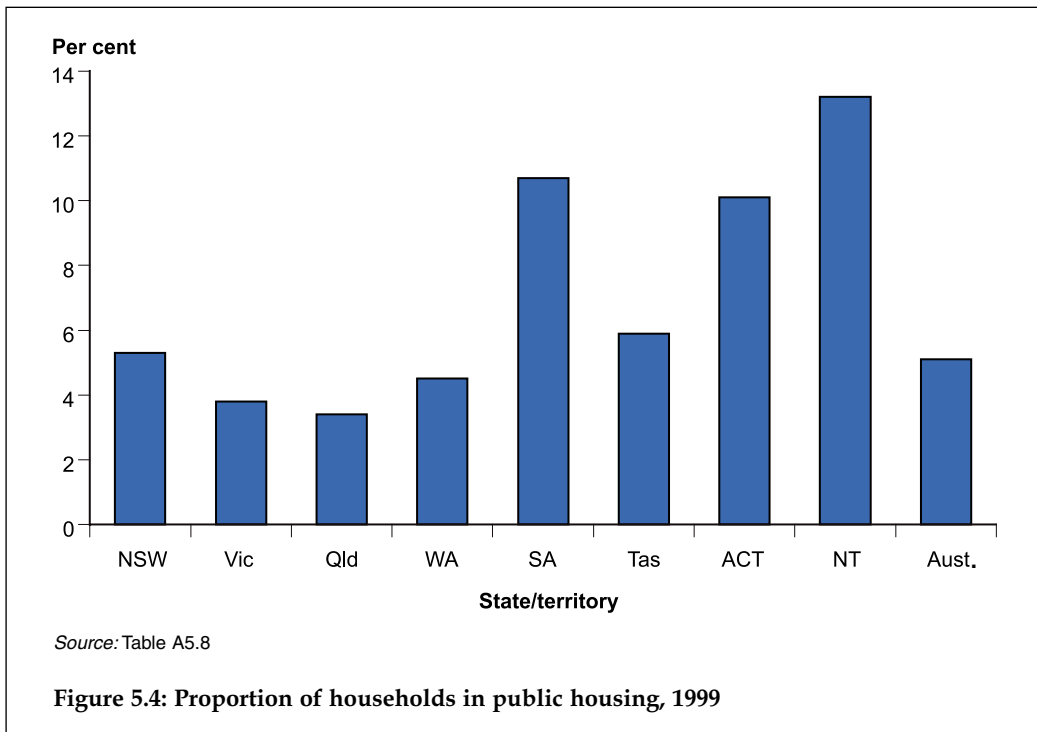
Public housing, including the CSHA Aboriginal Rental Housing Program

Australia has relatively low levels of public housing (AIHW 2001a). In 1999, about 5% of all households lived in public housing tenures, the proportion ranging from 3% in Queensland to 13% in the Northern Territory (Figure 5.4).

Following the introduction of the 1999 CSHA, the level of public housing stock at the national level decreased from 362,967 dwellings in 1999–00 to 354,124 dwellings in 2001–02 (Table A5.9). This reduction was a result of several factors, including: the transfer of public housing dwellings to other social housing stock; headleasing of dwellings; ageing stock requiring maintenance and upgrades; and the reconfiguration of stock to better meet client needs (AIHW 2001a).

Public rental housing is the major CSHA program and it provides a range of assistance to public housing tenants through:

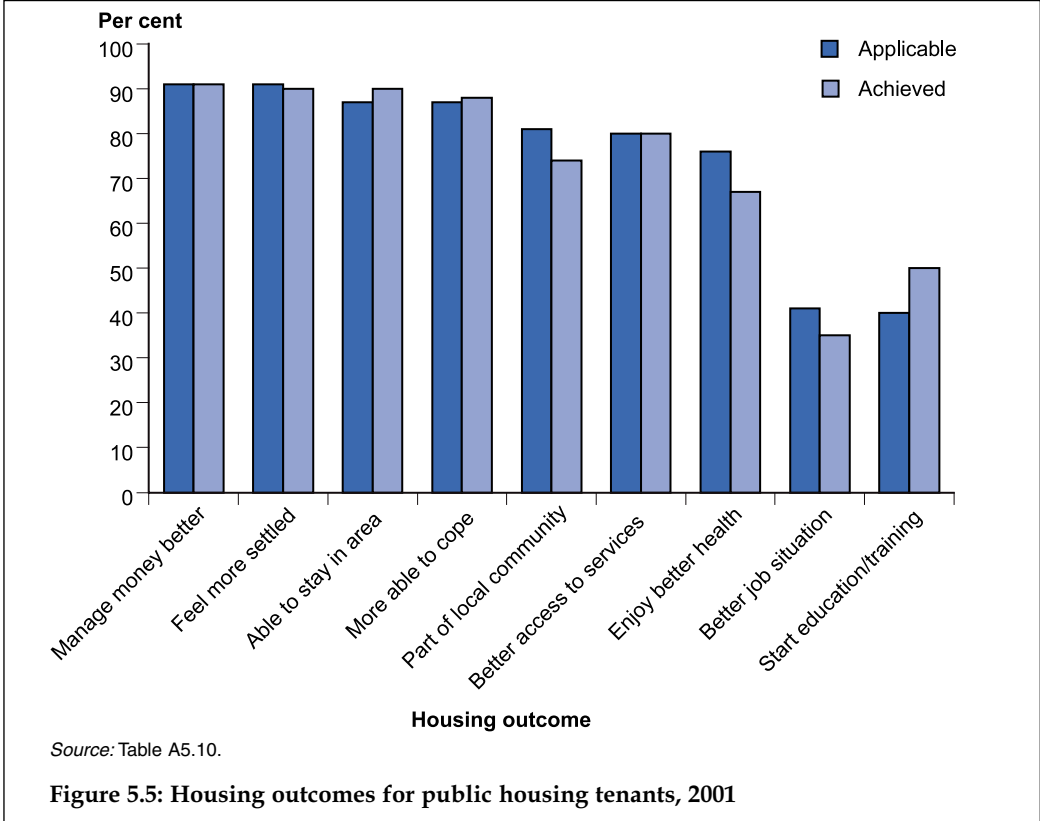
- outlays covering rebate/subsidised rent, repairs, maintenance and upgrade, housing modification, construction and purchase;
- security of tenure;
- government regulations and standards: appeals mechanisms, regulations aimed at ensuring only low-income households access low-income rental housing, allocations policy, rent policy; and
- priority allocation and relocation, and coordination of support services.



Public housing assistance has many attributes that make it a desirable form of accommodation for some households (see Section 5.2). Perhaps its main feature is that it provides affordable housing to low-income households. As the value of assistance is directly related to household income, public housing assistance is more affordable than private rental, even after accounting for CRA. The affordability of public housing is discussed in further detail later in this section.

Public housing is a more supportive form of rental accommodation than renting from the private sector. It controls against discrimination due to Indigenous status, gender, household type, ethnicity or disability. There is also greater security of tenure for households and it may be easier to gain support to help maintain a tenancy. Low-cost private rental housing is not readily available in certain locations, whereas public housing provides low-cost accommodation where it is needed.

The importance of housing assistance for health and welfare has been discussed in a range of literature (see Section 5.1). In the 2001 National Social Housing Survey with public housing, tenants were asked whether various housing-related outcomes were applicable to them and whether living in public housing had helped them to achieve the outcome. Being able to manage money better and feeling more settled were the most widely cited and achieved housing outcomes (Figure 5.5). Of tenants who cited the outcome as applicable, more than two-thirds reported that they had achieved better health, 35% had improved their employment situation and 50% had improved their education.



In June 2002, 342,467 households occupied 342,819 public rental housing dwellings (AIHW 2003g). There were 354,124 public housing dwellings in total. Of the 11,305 vacant dwellings, 6,700 were untenable.

The majority of households in public rental housing at 30 June 2002 were households comprising single income units (80%). The two largest subgroups of public housing tenants were single adult households and sole parents with dependent children (45% and 18% respectively). Couples with dependent children represented only 7% of public housing tenants (Table 5.22).

One-third of main tenants cited 'other government pension/benefit', such as Parenting Payment, Youth Allowance or Service Pension, as their principal source of income (Table 5.23). Aged and disability pensions were the principal source of income for a significant proportion of main tenants (23% and 24% respectively). Only 9% of tenants cited unemployment benefits as their principal source of income. For details of income units in public housing receiving Centrelink payments, see Table 5.25.

Nearly 50% of tenants in public housing at 30 June 2002 were listed as the main tenant (Table 5.24). Dependents of the main tenant/spouse represented 29% of tenants, while spouses represented only 8%. This is in keeping with the finding that 18% of households in public housing comprise sole parents and their dependent children (Table 5.22).

Table 5.22: Public rental housing including Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing), by household type and household composition, June 2002

	Public rental housing		ARHP (STOMIH)		All	
	Number	Per cent	Number	Per cent	Number	Per cent
Household type						
Single (all members of household belong to single income unit)	274,652	80.2	8,332	70.2	282,984	79.9
Group (two or more unrelated people where all persons are aged 15 years or over)	30,357	8.9	1,118	9.4	31,475	8.9
Multiple (neither of the above conditions apply)	36,141	10.5	2,376	20.0	38,517	10.9
Unknown/missing	1,317	0.4	48	0.4	1,365	0.4
Total	342,467	100.0	11,874	100.0	354,341	100.0
Household composition						
Single adult	158,553	46.3	2,119	17.9	160,672	45.3
Couple only	32,866	9.6	675	5.7	33,541	9.5
Couple with dependent children	21,570	6.3	1,394	11.7	22,964	6.5
Sole parent with dependent children	60,549	17.7	3,969	33.4	64,518	18.2
Group household	30,357	8.9	1,118	9.4	31,475	8.9
Multiple household	36,141	10.5	2,376	20.0	38,517	10.9
Other household	1,114	0.3	175	1.5	1,289	0.3
Unknown/missing	1,317	0.4	48	0.4	1,365	0.4
Total	342,467	100.0	11,874	100.0	354,341	100.0
Total number of occupants	712,286		48,773		761,059	

Source: NHDA Public housing and ARHP STOMIH NMDS.

Table 5.23: Principal source of income of main tenant^(a) in public rental housing including the Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing), June 2002

	Public rental housing		ARHP (STOMIH)		All	
	Number	Per cent	Number	Per cent	Number	Per cent
Wages/salary	27,996	8.3	1,716	14.3	29,712	8.5
Disability Pension	82,189	24.3	1,711	14.3	83,900	23.9
Age Pension	79,435	23.4	989	8.3	80,424	22.9
Unemployment benefit	31,570	9.3	1,255	10.5	32,825	9.4
Other government pension/benefit (e.g. Youth Allowance, Service Pension)	112,709	33.3	6,196	51.7	118,905	33.9
Other (superannuation/compensation)	4,481	1.3	94	0.8	4,575	1.3
Nil income	486	0.1	14	0.1	500	0.1
Not stated/unknown	1	0.0	—	—	1	0.0
Total	338,867	100.0	11,975	100.0	350,842	100.0

(a) Some households do not have a main tenant. Also some households may have more than one main tenant and numbers will differ from household-based tables.

Source: NHDA Public housing and ARHP STOMIH NMDS.

Table 5.24: Public housing and Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing), relationship of occupants to reference person, June 2002

	Public rental housing		ARHP (STOMIH)		All	
	Number	Per cent	Number	Per cent	Number	Per cent
Main tenant	361,368	50.7	12,791	26.2	374,159	49.2
Spouse	57,041	8.0	2,276	4.7	59,317	7.8
Dependant of main tenant /spouse (aged <16 years)	202,574	28.5	16,493	33.8	219,067	28.8
Independent (related to main tenant/ spouse and aged 16 years or more)	60,758	8.5	3,438	7.1	64,196	8.4
Resident (unrelated to main tenant)	24,697	3.5	1,313	2.7	26,010	3.4
Dependant of resident (aged <16 years)	5,664	0.8	836	1.7	6,500	0.8
Unknown	184	0.0	11,626	23.8	11,810	1.6
Total	712,286	100.0	48,773	100.0	761,059	100.0

Source: NHDA Public housing and ARHP STOMIH NMDS.

The increased targeting of public housing to low-income households or those with special needs has resulted in an increase in the proportion of tenants who are recipients of Centrelink benefits. Centrelink data show that at June 2002 there were approximately 332,000 income units living in public housing that were Centrelink clients (Table 5.25). Recipients of age and disability pensions represented the largest proportion, followed by single parents (29%, 28% and 22% respectively). Nearly one in three income units contained an adult with a disability identified by Centrelink (Table 5.26).

Table 5.25: Primary Centrelink payment received by income units in government rental accommodation, June 2002 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)
Age Pension	29.8	28.4	24.8	29.9	33.2	21.9	24.3	19.8	28.7
Carer Payment	2.2	1.9	2.0	1.6	1.6	2.0	1.1	1.0	1.9
Disability Pension	29.1	26.6	26.8	25.1	30.6	29.9	23.5	20.9	27.8
Family Tax Benefit	2.9	2.7	5.0	3.5	2.7	2.6	6.2	7.4	3.4
Newstart Allowance	10.9	11.1	10.5	12.2	11.6	15.1	12.4	17.5	11.4
Parenting Payment (couple)	1.2	1.3	1.7	1.7	0.9	1.2	1.8	2.2	1.3
Parenting Payment (single)	20.6	23.8	25.4	22.0	15.6	22.1	24.5	27.6	21.6
Widow Allowance	1.3	1.4	1.6	1.5	1.1	1.0	1.1	0.7	1.3
Youth Allowance	0.6	0.9	0.5	0.8	1.0	2.7	2.5	1.5	0.8
Other payments	1.5	1.9	1.7	1.6	1.7	1.5	2.6	1.3	1.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (number)	120,163	60,917	47,778	31,786	43,381	12,434	9,282	6,099	332,121

(a) Includes 281 overseas Centrelink clients.

Source: Commonwealth housing data set including CRA, June 2002.

Table 5.26: Disability status of income units in government accommodation receiving government income support, June 2002 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)
Client or partner:									
With disability	31.7	32.3	34.4	32.0	34.9	35.1	33.0	30.9	32.8
Without disability	68.3	67.7	65.6	68.0	65.1	64.9	67.0	69.1	67.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total (number)	120,163	60,917	47,778	31,786	43,381	12,434	9,282	6,099	332,121

(a) Includes 281 overseas Centrelink clients.

Source: Commonwealth housing data set including CRA, June 2002.

Households with special needs and greatest need

Two accessibility measures under the 1999 CSHA examine the proportion of new tenancies allocated to households with a household need status, covering those defined as households with 'special needs' and households with 'greatest need'. National standards for measuring such needs were introduced in 2000-01 to improve the consistency of these measures (Box 5.5).

The 'special needs' measure focuses on people who are unable to access appropriate accommodation in the private rental market because of discrimination or lack of appropriate housing stock (e.g. modified housing for people with a disability).

In 2001-02, 44% of housing allocations were made to households in the 'special needs' category (AIHW 2003g). South Australia had the highest proportion of households in the 'special needs' category that were allocated housing (74%) followed by New South Wales and the Northern Territory (51% and 52% respectively). The Australian Capital Territory had the lowest (31%).

Box 5.5: 'Special needs' and 'Greatest need' national standards

Special needs national standard

Special needs households are defined as low-income households:

- *that satisfy the Indigenous household definition;*
- *that have a household member with a disability;*
- *where the principal tenant is aged 24 years or under;*
- *where the principal tenant is aged 75 years or more.*

Greatest need national standard

Greatest need households are defined as low-income households that at the time of allocation:

- *were homeless; or*
- *their life or safety was at risk in their accommodation; or*
- *their health condition was aggravated by their housing needs; or*
- *their housing was inappropriate to their needs; or*
- *they had very high rental housing costs.*

Source: AIHW 2002b.

Table 5.27: 'Special needs' reasons for new households being allocated public rental housing,^(a) 1 July 2001 to 30 June 2002 (per cent)

	NSW	Vic	Qld	WA	SA ^(b)	Tas	ACT	NT	Aust.
Principal tenant aged 24 years and under ^(c)	20.3	36.5	33.9	34.4	32.9	57.6	82.9	34.4	31.7
Principal tenant aged 75 years or more ^(c)	7.9	14.1	10.5	6.8	8.3	4.7	8.1	4.0	8.9
Indigenous	15.3	8.3	30.7	20.4	11.1	21.8	7.3	61.6	18.5
Disability ^(d)	56.5	41.1	24.9	38.4	47.7	15.8	1.6	n.a.	40.8
Total special needs allocations (number of households)	5,491	2,471	2,373	1,678	1,732	837	371	513	15,466
Total new allocations for whom details of whether or not they have special needs are known (number of households)	10,780	6,993	6,563	4,639	2,355	1,739	1,182	986	35,237

(a) Excludes Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing). A unique household may satisfy more than one special need category. These households are counted under each category that applies and are counted more than once in the percent distribution but are counted only once in the total number of households.

(b) In SA special needs details are recorded for the principal tenant only.

(c) For households where more than one tenant was identified as the principal tenant, the oldest person has been selected as the principal tenant when determining special needs status.

(d) The NT does not have a disability identifier in their information management system.

Sources: AIHW analysis of NMDS data files; AIHW 2003g.

Nationally in 2001–02, the highest proportion of special needs allocations was made to households that contained a household member with a disability (41%), followed by households where the principal tenant was aged 24 years or under (32%). However, in the Northern Territory, more than 61% of special needs allocations were to Indigenous households. Queensland, Western Australia and Tasmania also made a substantial number of special needs allocations to Indigenous households (Table 5.27).

The ‘greatest need’ measure focuses on people who require priority access to housing due to their circumstances, such as homelessness, living in a life-threatening situation or inappropriate accommodation. Segmented waiting lists assist in identifying people with these urgent housing needs.

Priority allocations comprised 36% of housing allocations in 2001–02 (AIHW 2003g). The Australian Capital Territory had the highest proportion of priority allocations (85%) and Queensland had the lowest (5%). The Queensland result was influenced by the low percentage of priority housing applicants on the waiting list as, in low wait-time areas, households with priority housing needs may be allocated housing without being registered on the waiting list or with a priority classification. In addition, in Queensland, the Community Rent Scheme also leases houses from the private sector to provide housing to those households who are in priority need.

Nationally, the main reasons given for seeking priority access to housing assistance were homelessness (46%) and health condition aggravated by housing (26%) (Table 5.28). However, in Tasmania, the available housing being inappropriate to the applicant’s needs was the main reason for seeking assistance (33%).

Table 5.28: ‘Greatest need’ reasons for new households being allocated public rental housing, ^(a) 1 July 2001 to 30 June 2002 (per cent)

	NSW	Vic	Qld	WA	SA	Tas	ACT ^(b)	NT ^(c)	Aust.
Homeless	27.7	68.2	26.9	11.2	65.7	25.0	53.9	n.a.	45.5
Life or safety at risk in accommodation	11.8	5.7	9.1	14.8	0.7	13.5	6.3	n.a.	8.5
Health condition aggravated by housing	56.9	13.7	48.4	33.8	n.a.	22.7	0.0	n.a.	26.2
Housing inappropriate to needs	3.5	12.0	15.6	0.6	n.a.	32.7	22.3	n.a.	10.9
High housing costs	n.a.	n.a.	n.a.	n.a.	n.a.	6.1	17.5	n.a.	2.1
Other ^(d)	n.a.	0.5	n.a.	39.6	33.6	n.a.	n.a.	n.a.	6.8
Total greatest need allocations (number)	3,406	4,354	320	886	1,573	1,562	984	141	13,226
Total new allocations (number)	10,836	6,993	6,563	4,639	3,755	1,940	1,165	986	36,877

- (a) Table excludes the Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing).
- (b) In all jurisdictions, one priority reason was provided per household, with the exception of the ACT which provided multiple reasons per household. To achieve consistency in results across jurisdictions, the figures reported for the ACT have been weighted to reflect the number of greatest need households assisted (992) rather than the number of priority reasons (2,663).
- (c) The proportion of greatest need allocations by priority reason cannot be determined as priority reason codes were not provided.
- (d) In WA, the ‘other’ category is used to capture those households that experience a range of priority reasons including living in housing that is inadequate, unsafe or expensive and other situations.

Sources: AIHW analysis of NMDS state data files; AIHW 2003g.

Table 5.29: Tenant's overall satisfaction with the service provided by the public rental housing agency,^(a) 2001 (per cent)

	Aged under 24 years	Aged over 75 years	Disability	Indigenous	All tenants
Very satisfied	13	38	30	20	28
Satisfied	35	44	39	36	41
Neither satisfied or dissatisfied	17	6	9	12	10
Somewhat dissatisfied	21	6	12	16	11
Very dissatisfied	8	2	7	12	6
Total	94	95	96	95	96

(a) Figures quoted use the national weighted average. Excludes the Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing).

Note: Totals do not add to 100% because the field 'Don't know/No opinion' and responses not answered correctly have been excluded.

Source: NFO Donovan Research 2001.

Satisfaction with amenity/location of dwelling

The National Social Housing Survey of public housing, undertaken by state and territory housing agencies, elicits responses from tenants chosen at random in relation to their satisfaction with their CSHA-funded dwelling in terms of the quality of services provided and the dwelling's amenity and location. The results of the survey are compiled and form part of the CSHA national performance indicator framework.

In 2001, 69% of tenants were either very satisfied or satisfied with the service provided for public housing (Table 5.29). Tenants who were aged under 24 years expressed the least satisfaction with the service provided by public housing (48% either satisfied or very satisfied), whereas tenants who were aged over 75 years expressed the most satisfaction (82% either satisfied or very satisfied). Of all tenants, 17% were either somewhat dissatisfied or very dissatisfied. Indigenous tenants and those aged under 24 years were most likely to be somewhat dissatisfied or very dissatisfied, at 28% and 29% respectively (NFO Donovan Research 2001).

Rent rebates

Rents for public housing are generally charged as a proportion of the household's assessable income up to a ceiling equal to a market rent. Housing authorities have different definitions of 'assessable income', take different household members' incomes into account, have different rates of payment according to different income thresholds, and value market rents differently. Often these varying arrangements are summarised broadly, so that it can be said that most households pay between 20% and 25% of their assessable income in rent. In 2001–02, 99% of rebated public housing households paid 25% or less of their assessable income on rent (AIHW 2003g). This contrasts with low-income households in the private rental market receiving Commonwealth Rent Assistance, where 35% of income units pay more than 30% of their income on rent (refer to Figure 5.3).

The difference between the market rent and the rent charged is called the 'rent rebate'. Public housing tenants in June 2002 paid on average 69% of the market rent value of the dwelling (Table 5.30). This indicates that public housing tenants would pay an additional 46% rental costs if they rented comparable accommodation in the private rental market. The difference between public housing and private rental costs is largest in New South Wales and smallest in Tasmania.

Table 5.30: Public rental households: rent charged as a proportion of market rent for each dwelling,^(a) June 2002 (per cent)

NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
56.5	70.3	84.1	76.9	83.2	87.0	70.2	76.2	68.6

(a) Adjusted for CRA. Excludes the Aboriginal Rental Housing Program (state/territory owned and managed Indigenous housing).

Source: AIHW 2003g.

Community housing

Community housing is delivered by non-profit community, church and local government providers and offers a range of housing choices that may not be available through the public or private housing markets. The number of community housing dwellings in Australia is small, compared with public housing, private rental and home ownership—it represents less than half of 1% of all housing tenures (ABS 2002b). Its importance as a sector is the ability to provide flexible housing responses to people who may have special needs, live in remote areas or require supported accommodation services with links to aged, disability and health services.

Government assistance to community housing providers and tenants takes many forms:

- rebated/subsidised rent and Commonwealth Rent Assistance for tenants, recurrent funding of organisations and the undertaking of repairs, maintenance and upgrades, and capital funding for dwelling and infrastructure construction;
- taxation benefits, including charitable tax status for organisations;
- government regulations and standards that provide skills development, accreditation, development of specific building guidelines, and regulations aimed at ensuring only low-income households access low-income rental housing; and
- other activities of government, including sector coordination, partnerships and incentives, and coordination of support services and transition paths to long-term accommodation.

Two major types of community housing are available in Australia (Table 5.31):

- long- to medium-term housing, such as that provided under the CSHA mainstream community housing programs and the Indigenous Community Housing and Infrastructure Program; and
- transitional or crisis housing, which provides accommodation to people in need in the short to medium term.

Table 5.31: Types of community housing

Description	Examples
Long- to medium-term housing	
Specific tenant needs—market failure to provide for particular long-term needs	<p>Aged community housing, including retirement villages operated by charities</p> <p>Community housing for disabled persons, such as group houses</p> <p>Respite care</p>
Specific tenant needs—market failure to provide culturally appropriate housing/rural and remote issues	<p>Indigenous community housing</p> <p>Refugees</p>
Transitional or crisis housing	
Specific tenant needs—market failure to provide for particular short-term/transitional needs	<p>Group homes—rehabilitation</p> <p>Half-way houses</p>

Box 5.6: Example of how community housing operates to provide affordable and sustainable accommodation

The Brisbane Housing Company is an independent not-for-profit organisation that works in partnership with community groups and the private sector to build or buy affordable housing for low-income families and individuals. Incorporated in July 2002 the company expects to establish up to 600 new dwellings over 4 years. It will meet the needs of a variety of tenants using a mix of boarding houses, units and houses.

The approach utilised by the company involves:

- *structuring rent to maximise residents’ access to Commonwealth Rent Assistance; and*
- *using the company’s charitable status to receive charitable contributions and to minimise GST.*

The company aims to redress the lack of low-cost rental accommodation in inner city Brisbane by offering below-market rents to households on low incomes. Its operation is based on an initial equity injection by the Queensland Government and by the Brisbane City Council. The company will use income from rents to manage and maintain its properties, with any surplus used to fund further expansion.

Note: The Brisbane Housing Company like other affordable housing initiatives funded under the CSHA may not be represented in CSHA community housing data as they are not funded through this program.

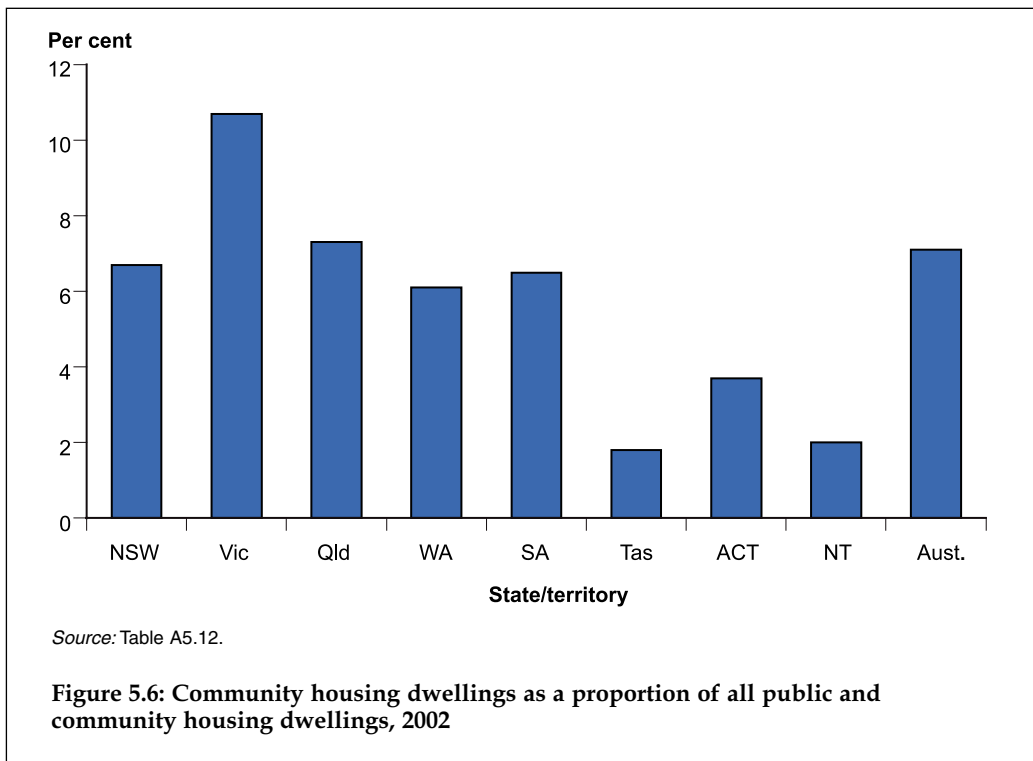
Source: Queensland Department of Housing 2003.

The nature of housing need and the management models used to provide community housing often result in a mix of these two types of housing by a single provider. For example, a community housing provider supporting drug rehabilitation may offer tenancies with a high level of support over a transition period following institutionalisation and also housing without support services for longer term tenure. The flexibility in the provision of community housing provides affordable accommodation for low-income tenants and also allows for the proper maintenance of houses as well as growth. An example of this approach is the Brisbane Housing Company (Box 5.6).

CSHA Community Housing

The diversity in the types of community housing programs within a jurisdiction is significant and variation exists between the states and territories. These different program boundaries make construction of nationally consistent definitions of the types of assistance in this sector difficult (AIHW 2001a:75).

The size of the community housing sector varies between jurisdictions, reflecting not only the differing emphasis states and territories place on community housing as an alternative to public housing but also on its role in deinstitutionalisation (NCHF 1998:3). As at 30 June 2002, Victoria had the highest proportion of CSHA community housing (11%) and Tasmania had the lowest (2%) (Figure 5.6).



The transfer of substantial amounts of public housing stock to community housing management has been one of the national trends in community housing. Also worth noting is the significant percentage of community housing stock that is head-leased from the private rental sector. In 2001-02, over 7,000 of a total of 27,178 CSHA community housing dwellings were head-leased. The 1999 public housing data repository was only able to identify 2,000 units of public housing stock that had been head-leased from the private rental market (AIHW 2001a:77, 2003c).

Additional support for claims regarding the importance of housing for health and welfare is provided in the 2002 National Social Housing Survey of community housing (NFO Donovan Research 2002). For community housing tenants, feeling more settled was the most widely cited and achieved outcome, followed by managing money better, being supported by the organisation and being able to stay in the area (Figure 5.7). Of tenants who cited the outcome as applicable, 71% reported they had achieved better health, 59% had started education/training and 44% had improved their employment situation after being allocated community housing.

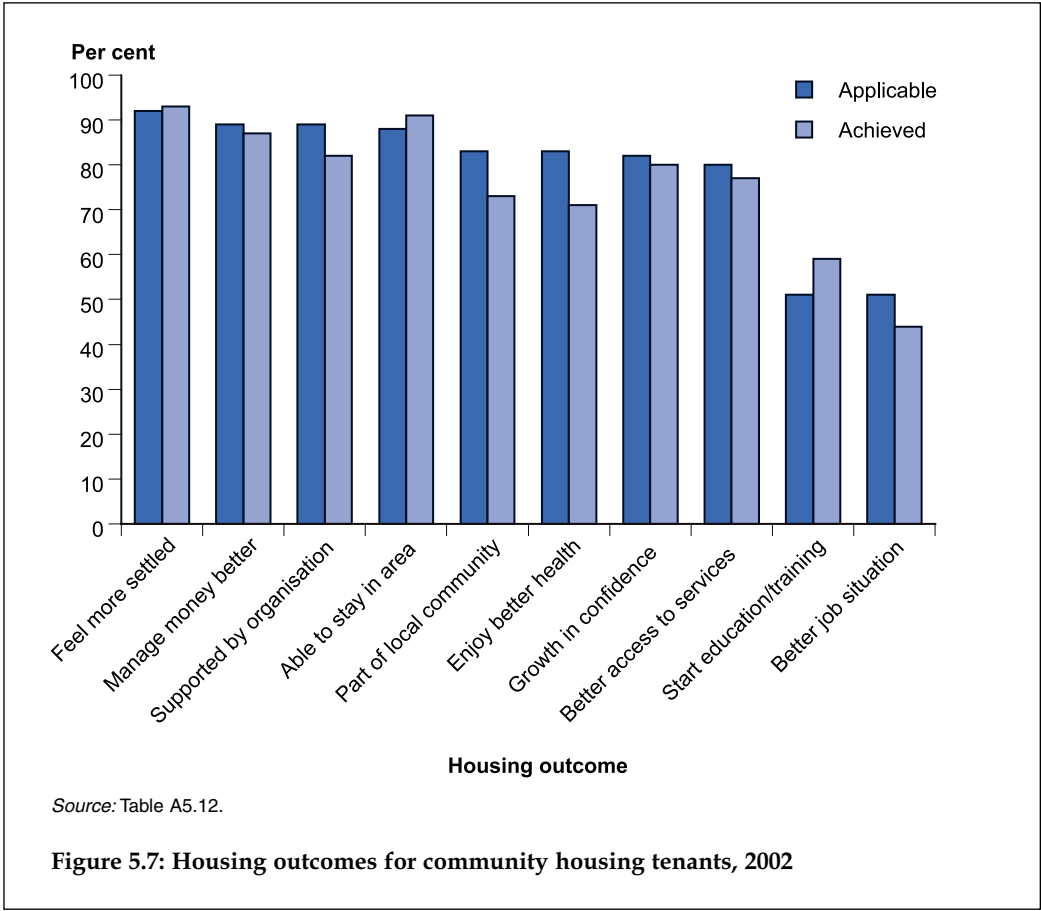


Table 5.32: Household need status of new households in CSHA Community Housing Program, 1 July 2001 to 30 June 2002 (per cent)

Household need status	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
Special needs	66.8	n.a.	64.1	72.8	70.3	39.4	27.5	n.a.	68.4
Priority housing need	78.5	83.7	85.0	93.5	69.6	28.7	74.2	n.a.	85.1

Note: Special needs data for the ACT ares unreliable as some organisations provided incorrect data about special needs allocations.

Source: AIHW 2003c.

Households with special needs and greatest need

In 2001–02, 68% of new households assisted with community housing had a special need (Table 5.32, Box 5.5). Western Australia and South Australia made the highest proportion of special needs allocations (73% and 70% respectively), while the Australian Capital Territory had the lowest proportion of special needs allocations (28%). Priority allocations to households in greatest need comprised 85% of community housing provision. Western Australia had the highest proportion of priority allocations (94%) and Tasmania had the lowest (29%). Prior to moving into community housing, 43% of tenants surveyed had been unable to afford private rental housing, 20% had been homeless and 9% had been living in a violent or dangerous situation (NFO Donovan Research 2002).

Satisfaction with community housing

The results from the 2002 community housing survey indicate that 77% of tenants were satisfied or very satisfied with the service provided by their community housing provider. As with most customer satisfaction surveys, including the public housing survey, the level of satisfaction with community housing increases with age (NFO Donovan Research 2002). Tenants aged 65 years or over were more likely than tenants aged 15–34 years to be very satisfied (47% and 32% respectively) and were less likely to be dissatisfied (6% and 15% respectively).

Tenants living in shared accommodation (i.e. have a room in a shared house or live in a larger rooming house) were more likely to be dissatisfied (16%) than those living in a separate house, attached house or self-contained unit (11%, 7% and 10% respectively). Although overall levels of satisfaction were similar for Indigenous and non-Indigenous tenants, Indigenous tenants were less likely to be very satisfied (23% and 40% respectively) (see Table A5.13).

The Indigenous Community Housing and Infrastructure Program

In 2001–02, the former Aboriginal and Torres Strait Islander Commission (ATSIC) provided over \$199 million for community housing through its Community Housing and Infrastructure Program (Table 5.33). This included \$76 million for construction and acquisition of houses, \$20 million for upgrades and renovations and \$6 million for asset and tenancy management. Community housing responds to a diversity of circumstances and allows for greater community participation in decision-making processes.

Table 5.33: Funds expended on the Community Housing and Infrastructure Program, 2001–02

	Expenditure (\$)
Construction and acquisition of houses	76,337,103
Upgrades and renovations	20,780,638
Asset and tenancy management	6,284,567
Water supply	8,343,006
Power supply	13,106,469
Sewerage services	8,136,265
Internal roads and drainage	9,041,441
Other housing-related infrastructure	15,905,334
Development and support	41,461,114
Total	199,395,937

Source: ATSIIC 2002a.

Delivery of the Community Housing and Infrastructure Program is through Indigenous Housing Agreements with the states and territories. This requires the pooling of all Indigenous-specific funds at the state and territory level, which is then managed through the state and territory Indigenous housing authorities. As a result, it is not possible to accurately estimate the number of houses provided and upgraded, the number of people housed, or the number of houses managed by Indigenous housing organisations specifically from ATSIIC funding (ATSIIC 2002a).

ATSIIC–Army Community Assistance Program

The ATSIIC–Army Community Assistance Program is a cooperative arrangement between the Army, the Department of Health and Ageing and ATSIIC. The aim of the program is to alleviate the poor health of Indigenous Australians by targeting primary and environmental health infrastructure. In 1996, \$12 million was spent on the first round of projects. This was followed up with additional funding of \$40 million in 1998, of which \$35 million has been committed and \$5 million is available for a new project in 2004 (ATSIIC 2002a).

Crisis community housing assistance

Government and churches and other welfare bodies use community housing organisations to provide a range of housing services to assist people who are in situations of actual or impending crisis or who are homeless. These programs have strong links to health and community services agencies that assist people in crisis. In the health area, housing agencies work closely with mental health and alcohol and drug abuse service providers; in the community services area, the major link is with supported accommodation and crisis services provided through the Supported Accommodation Assistance Program (SAAP).

The CSHA Crisis Accommodation Program (CAP) provides emergency accommodation, and funds are used for the purchase, lease and maintenance of dwellings that provide accommodation assistance to people who are homeless or in crisis. At 30 June 2002, there were 3,258 CAP-funded dwellings in Australia (Table 5.34).

The links between crisis housing assistance and other housing assistance were shown in the SAAP National Data Collection Annual Report for 2001–02 (AIHW 2002a).

Table 5.34: Number of dwellings funded through the CSHA Crisis Accommodation Program, 30 June 2002

NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
1,216	200	967	394	214	122	54	91	3,258

Source: AIHW 2003d.

While domestic violence was the main reason for seeking assistance from SAAP agencies (22%), accommodation-related matters were also main contributors. In particular, usual accommodation becoming unavailable, eviction/previous accommodation ended and financial difficulties were the main accommodation-related reasons given for seeking assistance (11%, 12% and 9% respectively).

SAAP clients moved into a range of tenure types after receiving SAAP assistance: 19% into other SAAP/emergency housing, 19% into private rental accommodation, and 17% into public or community housing.

There was variation in housing outcomes between Indigenous and non-Indigenous clients. The majority (27%) of Indigenous clients moved into public or community housing, while private rental accommodation was the most common form of housing for non-Indigenous clients (21%) immediately after a support period (AIHW 2002a).

Further information about the types of assistance provided to homeless persons through SAAP can be found in Chapter 9.

5.4 Assistance to home owners and purchasers

Assistance for home purchase or ownership includes:

- government outlays, such as for the First Home Owner Grant, CSHA home purchase assistance and the Aboriginal and Torres Strait Islander Home Ownership Program;
- taxation expenditures, including the non-taxation of imputed rent from owner occupation, rates and land tax concessions, and capital gain and stamp duty exemptions;
- government regulations and standards in housing and financial markets; and
- other assistance, such as home purchase advisory and counselling services.

First Home Owner Grant

To offset the impact of the introduction of the goods and services tax, from 1 July 2000 the Commonwealth Government established the First Home Owner Grant. The grants are administered by the states and territories and provide Australian citizens who purchase a new or established dwelling with a one-off \$7,000 payment. Assistance is not means-tested, but the applicant must not have previously owned a home and the property must be intended to be a principal place of residence. During March 2001, the Commonwealth introduced an Extra First Home Owner Grant for New Homes, providing an additional \$7,000 grant, non-means-tested, for first home owner applicants constructing or purchasing a new dwelling. This additional grant was reduced to \$3,000 from 1 January 2002 and ceased on 30 June 2002. The states and territories also administered this grant (FHOG 2001).

Between July 2000 and June 2002, over 360,000 grants were provided to first home owners through the First Home Owner Grant (Table 5.35). This assistance totalled almost \$3 billion (ABS 2003a).

Table 5.35: Number of First Home Owner Grant recipients, July 2000 to June 2002

Amount received	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
\$7,000 ^(a)	93,937	80,140	63,044	30,342	25,604	9,017	6,079	2,480	310,643
\$10,000	646	510	867	341	134	17	42	33	2,590
\$14,000	11,062	12,699	11,157	7,015	3,432	539	522	511	46,937
Total	105,645	93,349	75,068	37,698	29,170	9,573	6,643	3,024	360,170

(a) Includes some applicants receiving under \$7,000.

Source: ABS 2003a.

Table 5.36: CSHA home purchase assistance, 2001–02

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
Total households receiving assistance (number)									
Direct lending	..	116	96	3,998 ^(a)	16,784	204	..	247	21,445
Deposit assistance	..	..	22	..	..	255	..	472	749
Interest rate assistance	..	..	83	146 ^(b)	3,769	..	..	427	4,425
Mortgage relief	209 ^(c)	8	15	.. ^(b)	91	..	75 ^(d)	..	398
Home purchase advisory and counselling services	17,444 ^(e)	..	..	3,998 ^(f)	..	..	..	..	21,442
Other types of assistance	..	47	10	547	..	292	..	..	896
Total households receiving assistance	17,653	171	226	8,689	20,644	751	75	1,146	49,355
Value of assistance (\$m)									
Direct lending	..	8.0	6.6	372.0	163.6	9.0	..	26.7	586.0
Deposit assistance	..	..	..	..	..	1.1	..	0.7	1.8
Interest rate assistance	..	..	n.a. ^(g)	0.2 ^(b)	10.0	..	..	0.3	10.5
Mortgage relief	0.7	..	0.1	.. ^(b)	..	..	0.2	..	1.0
Home purchase advisory and counselling services	.. ^(h)	..	..	0.1 ^(f,i)	..	..	..	..	0.1
Other types of assistance	..	0.3	0.1	1.1	..	0.8	..	..	2.3
Total value of assistance	0.7	8.4	6.8	373.5	173.6	10.9	0.2	27.7	601.7

(a) Proxy for new households is the number of new loans provided.

(b) Subsidised loans are provided at an interest rate of 6.5%. As market rates during the year were 6.5% or below, no one-off interest rate or mortgage relief assistance was provided. Only ongoing households received interest rate assistance.

(c) The proxy for new households is the total number of Mortgage Assistance approvals for 2001–02.

(d) Mortgage relief program ceased on 1 January 2001.

(e) Includes only the total number of calls to the Home Purchase Assistance Information and Advisory Service during 2001–02. Excludes general information provided in regard to other forms of assistance.

(f) All households receive counselling prior to receiving direct lending. The proxy for new households is the number of new direct lending loans.

(g) Interest rate assistance is linked to direct lending as part of the product package and so a specific value could not be provided.

(h) No dollar value is attributed to the provision of advisory services.

(i) No monetary assistance is provided; however, an estimated cost for providing counselling is \$25 per session.

Source: AIHW 2003e.

CSHA home purchase assistance

Home purchase assistance under the CSHA is designed to make home ownership (including shared home ownership) more accessible for people who are otherwise unable to obtain private sector finance for home ownership. Active CSHA home purchase programs exist where market circumstances allow the purchase of dwellings by low-income people. A range of programs is available, which vary across the states and the territories, including direct lending, deposit assistance, interest rate assistance, home purchase advisory and counselling services, and mortgage relief (AIHW 2003e).

In 2001–02, the total value of home purchase assistance provided to households by the states and territories through the CSHA was more than \$601 million (Table 5.36). The different types and monetary values of the services provided indicate the difficulty in making comparisons between states and territories.

Aboriginal and Torres Strait Islander Home Ownership Program

The ATSIC Home Ownership Program assists eligible Aboriginal people and Torres Strait Islanders, most of whom would not qualify for assistance from commercial-sector lending institutions, to purchase their own home. In 2001–02, 494 eligible applicants received loans totalling more than \$60 million, which was an increase from the \$54 million made available in 2000–01 (Table 5.37). These loans enabled 1,634 Indigenous people to be housed in their own home (ATSIC 2002a). Over 18,600 Aboriginal people and Torres Strait Islanders have been assisted with purchasing their own homes since the implementation of this program. In 2001–02 ATSIC also introduced the Deposit Gap Loan, which funds up to 20% of the purchase price of a property. This allows eligible applicants to borrow funds from banks or other commercial lenders to purchase or build a home (ATSIC 2002a).

Table 5.37: ATSIC Home Ownership Program loans, 2001–02

Region	Approved	Managed
Adelaide	20	234
Alice Springs	6	49
Brisbane	58	430
Broome	5	62
Coffs Harbour	45	321
Darwin	34	192
Hobart	9	86
Melbourne	51	308
Perth	33	396
Rockhampton	39	200
Sydney	32	345
Tamworth	25	207
Townsville	70	517
Wagga Wagga	67	489
Total	494	3,836

Source: ATSIC 2002a.

Taxation expenditures

Currently, there are no official estimates on the assistance provided through the taxation system to households owning or purchasing their home. However, recent research has shown that its impact is significant (Bourassa et al. 1995; Pender 1994; Yates 2002).

Owner-occupied housing is treated differently from other assets because the service, or imputed rent, from the dwelling is not taxed. Assets such as bank savings, shares and investment properties produce income that is taxed; owner-occupied housing provides an imputed income stream that is not. On the other hand, costs associated with producing the service are not tax exempt; for example, mortgage interest payments cannot be deducted from a person's taxable income. This presents a short-term disadvantage for purchasers, but the long-term advantage of a non-taxed imputed rent has been calculated to more than outweigh this at given rates of mortgage repayment (Bourassa et al; 1995 Yates 2002).

The capital gains tax exemption for gains on the disposal of a taxpayer's main residence (Treasury 2001:27) is also recognised as an important area of housing assistance.

The value of indirect assistance provided to owner-occupied housing through taxation expenditures in 2001 was estimated to be \$21 billion (Yates 2002). This consisted of:

- \$13 billion arising from the non-taxation of capital gains under the post-1999 approach to taxing capital gains; and
- \$8 billion arising from the non-taxation of imputed rent, consisting of a \$13 billion benefit from the non-taxation of net imputed rent and a \$5 billion cost from the non-deductibility of mortgage interest costs.

On a household basis in 1999, the value of assistance relating to capital gains and imputed rent was on average \$4,400 per household per year for owners without a mortgage and \$900 for owners with a mortgage. This compares with \$3,698 for public renters and \$1,655 for private renters (see Table 5.16).

Rates and land tax concessions

State and territory taxes also provide assistance to home owners, for example through transaction tax exemptions for first home buyers and land tax exemptions. Land tax exemption has been raised as a source of horizontal inequity between renters and owner-occupiers and as a disincentive to rental property investment (NHS 1991b:59; Yates 1994:22).

Assistance is also provided to pensioners, who receive subsidies for their local government rate payments. These subsidies are funded by state and territory governments, which reimburse local governments. The size and number of subsidies vary across jurisdictions and no comparable information is available.

5.5 Data development

Under the National Housing Data Agreement (NHDA) and the Agreement on National Indigenous Housing Information (ANIHI), a variety of data development initiatives have been implemented to improve housing assistance data availability and consistency. The major components of the NHDA Management Group work program

are based on four priority policy areas for national data: public rental housing, private rental market assistance, community housing, and Indigenous housing. Indigenous housing priorities are being progressed jointly with the National Indigenous Housing Information Implementation Committee which operates under the ANIHI (AIHW 2001a).

The compatibility of mainstream and Indigenous housing data with the health and community services information is an objective of both the NHDA and the ANIHI. These agreements support relevant work across areas such as priority access to housing services and the links to community services programs such as the Supported Accommodation Assistance Program.

Basic counting units—households or income units

Unlike many other areas of this report, housing uses several different counting units and these create difficulties in comparing data. For example, waiting lists may be based on a person's characteristics, eligibility for CRA is based on income unit characteristics, and the level of rebate for public renters is based on household-level information. While most social housing is based on tenancy agreements that equate with the common notion of household, the major counting unit in private rental assistance is income units.

The 1998–99 ABS Household Expenditure Survey identified 18.5 million persons living in 7.1 million households representing 9.3 million income units. For 22% of households there is more than one income unit in the household (ABS 2001d:Table 1).

Figure 5.8 illustrates the various relationships between dwelling, household, income unit and person. Dwelling A contains a single household with one income unit comprising one parent with two dependent children. Dwelling B contains two households with two income units comprising a couple with two dependent children and a single person income household. Dwelling C contains one household with three single person income units.

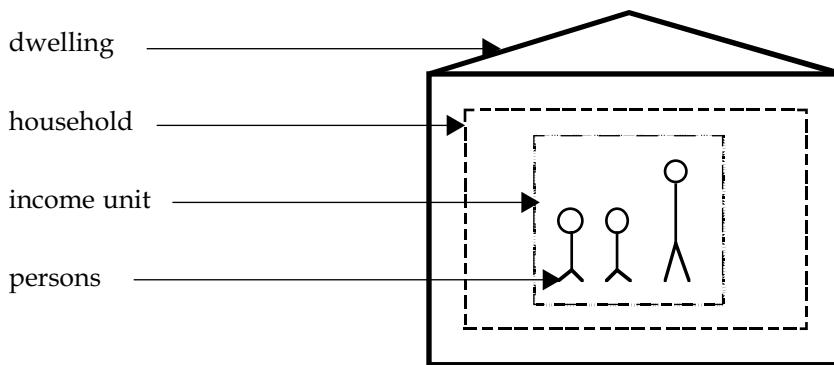
To improve the comparability of administrative data and census and survey data across tenures, it is vital that these three concepts are counted in a consistent way. Current data do not facilitate this task. The Centrelink CRA data are provided at income unit level and are currently unable to be converted to household level. In contrast, the CSHA data are at household level. Aligning CRA and CSHA data is considered a priority area by Commonwealth and state/territory jurisdictions.

Table 5.38: Ratio of income unit to household, 1999

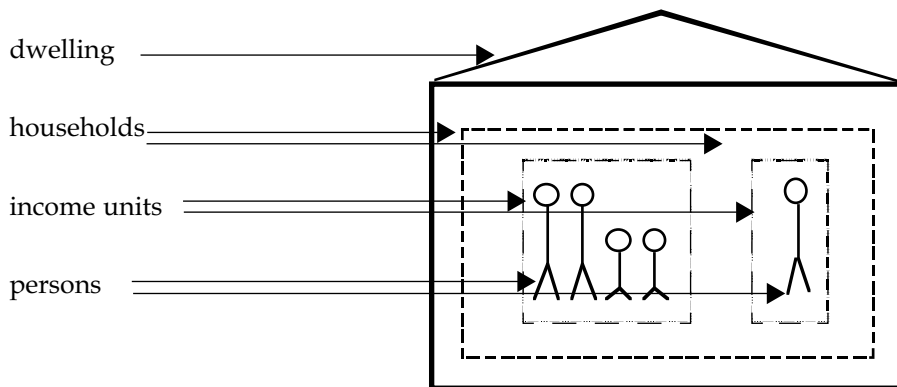
	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust.
Total number of income units assisted	178,968	138,603	148,716	64,465	38,150	20,588	821	4,323	594,634
Total number of households assisted	124,886	93,067	111,868	46,490	30,010	16,599	562	2,679	426,161
Ratio of income unit to households	1.43	1.49	1.33	1.39	1.27	1.24	1.46	1.61	1.40

Source: Australian Housing Survey, 1999, confidentialised unit record files.

Dwelling A: Single household, single income unit



Dwelling B: Multiple household, multiple income units



Dwelling C: Group household, multiple income units

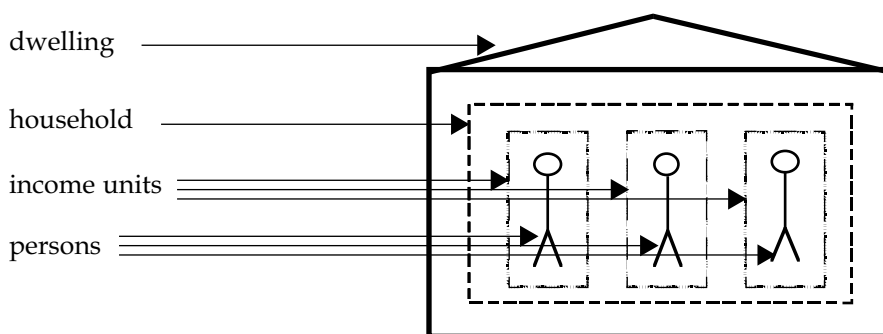


Figure 5.8: Diagrams representing housing data concepts

Many analyses are carried out at the household level rather than at the income unit level. As well, since many households share resources, the receipt of CRA by one income unit in a household may impact on the financial position of the household as a whole. The 1999 Australian Housing Survey provided data at both income unit and household level (Table 5.38). The average ratio of income unit to household among private renters receiving CRA was 1.4. However, there were variations across jurisdictions, the highest ratio being in the Northern Territory where there were 4,323 income units receiving CRA but they represented only 2,679 households.

Improving the measures of number of households in tenure types

Currently, there is variation in the way different tenures are identified in Census, survey and administrative data:

- Home ownership rates at the national level may vary by several percentage points in the same time period (AIHW 2001a:56).
- Public rental housing numbers vary due to identification and definition differences, particularly in the treatment of public rental dwellings that are specifically targeted to Indigenous households (AIHW 2003h).
- Difficulties in measuring the size of the community housing sector arise due to the diversity of programs, variation in funding sources, and provider capacity to supply reliable data (AIHW 2001a:75).

Table 5.39: Households in public rental housing and the Aboriginal Rental Housing Program (state and territory owned and managed Indigenous housing): comparison of Census 2001 and National Housing Data Repository figures, 2001

	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Aust.
Census 2001									
Number of households renting from state or territory housing authority	114,130	54,805	47,286	44,686	29,399	11,611	5,167	9,858	316,942
Administrative data									
Total number of all households at 30 June 2001 in:									
Public housing	126,214	62,522	48,942	48,539	30,883	12,428	5,759	11,016	346,055
ARHP (STOMIH)	3,794	1,032	2,591	1,708	2,299	298	..	..	11,722
<i>Total</i>	<i>130,008</i>	<i>63,554</i>	<i>51,533</i>	<i>50,247</i>	<i>33,182</i>	<i>12,726</i>	<i>5,759</i>	<i>11,016</i>	<i>357,777</i>
Per cent difference between Census and administrative data									
Based on public housing administrative data only	9.6	12.3	3.4	7.9	4.8	6.6	10.3	10.5	8.4
Based on public housing and ARHP (STOMIH) administrative data	12.2	13.8	8.2	11.1	11.4	8.8	10.3	10.5	11.4

Note: ARHP (STOMIH) tenants would be expected to indicate 'Dept of Housing' as the landlord, not community housing.

Sources: Census 2001 (Basic Community Profiles, Table B19); CSHA Public Housing and ARHP 2000–2001, L18.

The release of the 2001 Census data has illustrated the importance of understanding differences between similar data from different sources. A comparison of Census 2001 and National Housing Data Repository figures shows that the Census identified 316,942 dwellings as being rented from state or territory housing authorities, while administrative data identified 357,777 where the landlord was the housing authority. This comprised 346,055 public rental households and 11,722 households assisted under the Aboriginal Rental Housing Program (Table 5.39).

Through the NHDA Management Group, state and territory housing authorities work with the ABS and the AIHW to improve the understanding of data differences and their impact on policy and program reporting and analysis.

5.6 Conclusion

Housing assistance aims to meet housing needs as well as contribute to broader outcomes, such as the improved social and economic wellbeing of individuals, families and communities.

Population growth along with changes in household formation and in housing markets has affected the demand for housing assistance. Recent economic and social changes have also contributed to changes in the demand for and supply of housing. There is evidence of a change in home ownership patterns, indicating that home ownership is occurring at a later stage in the family life-cycle. Also, the private rental sector has grown faster than other segments of the housing market but the supply of low-cost private rent dwellings has not shown a similar increase.

The effect of tax expenditures in providing short- and long-term benefits to home owners and their influence on the type of housing stock produced is increasingly being recognised as an important area of housing assistance.

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