



Australian Government

**Australian Institute of
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Public rental housing in Australia: tenant affordability and economic participation

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AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE

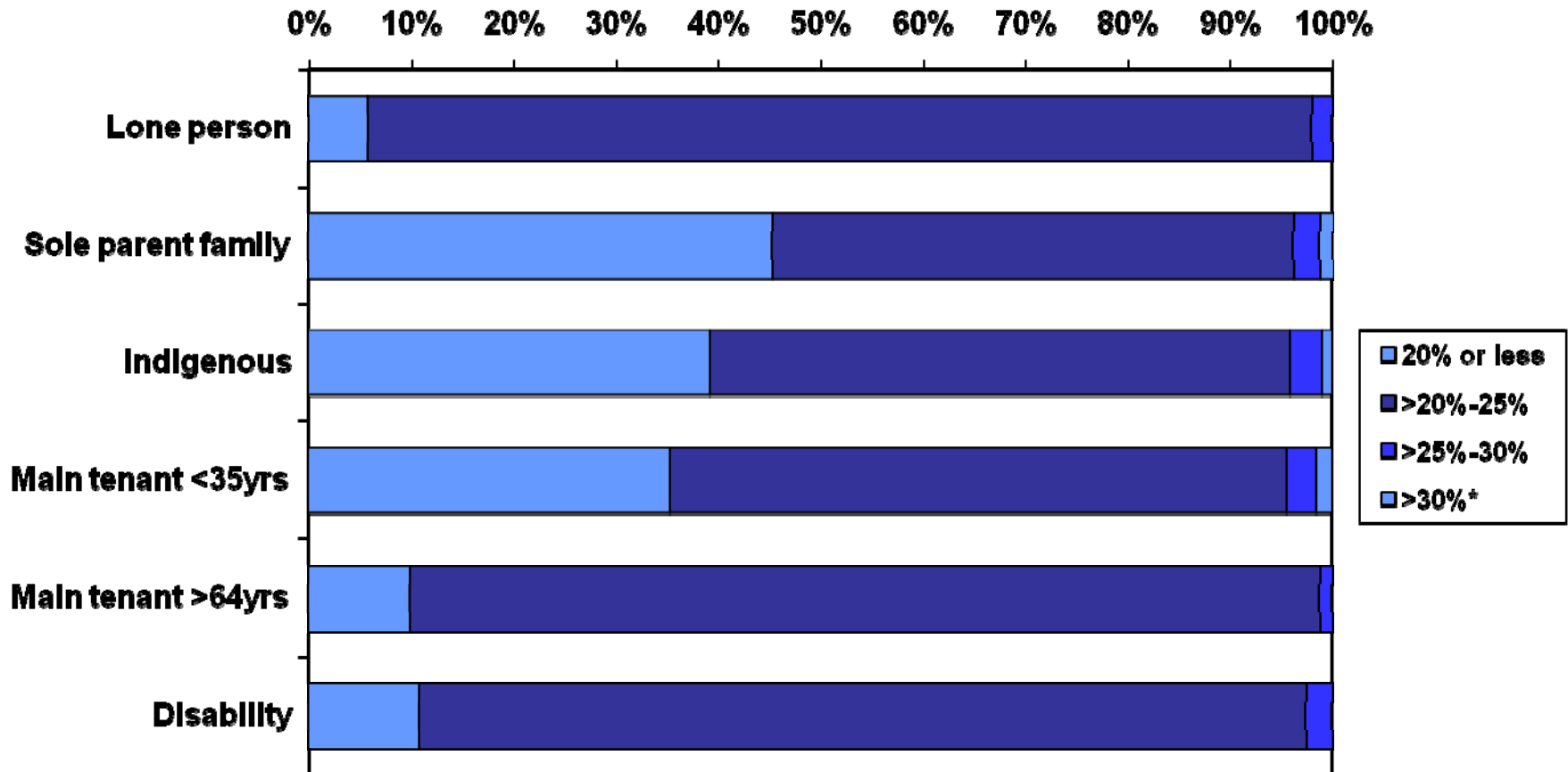
Overview

- Public rental housing in Australia
- Affordability in public rental housing
- Household income and financial stress
- Economic participation in public rental housing
- Barriers to employment
- Conclusions and research opportunities

Public housing at 30 June 2007

No. ongoing households	333,085
Mean income (per hh, \$ pw)	340
Mean main tenant age (yrs)	54
Mean household size	2.0
Indigenous households (%)	7
Households with disability (%)	30

Affordability (% of income paid)



*Rebated households only

*Higher than 25% includes households where income and/or rent details are out of date: rebated public housing is restricted in most cases to 25% of income (or 25-30% for moderate income in NSW)

However ...

- Yates (2007): Low income households, while more likely to be in financial stress if in housing stress, may still experience financial deprivation.
 - In particular, households on low incomes, with high non-housing costs due to their circumstances.
- NSHS includes 'financial deprivation' measure: proportion households that received financial assistance from welfare/community agencies.
- Could households in public housing, with affordable rent, still be experiencing financial stress?

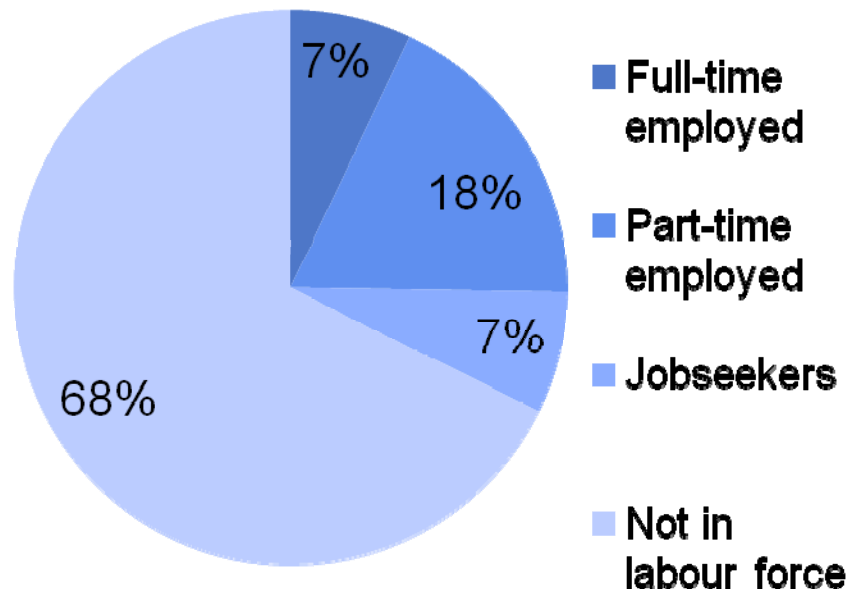
Households receiving financial help

	Mean income (\$ pw)	Received financial help (%)
Single person	272	18
Sole parent family	477	31
Indigenous	470	27
Non-Indigenous	396	18
Disability	371	19
Main tenant <35 yrs	444	42
Main tenant >64 yrs	332	7

Economic participation

- CSHA Guiding Principle to ensure that housing assistance supports access to employment and promotes social and economic participation. However ...

Public housing



'Employable' household comparison

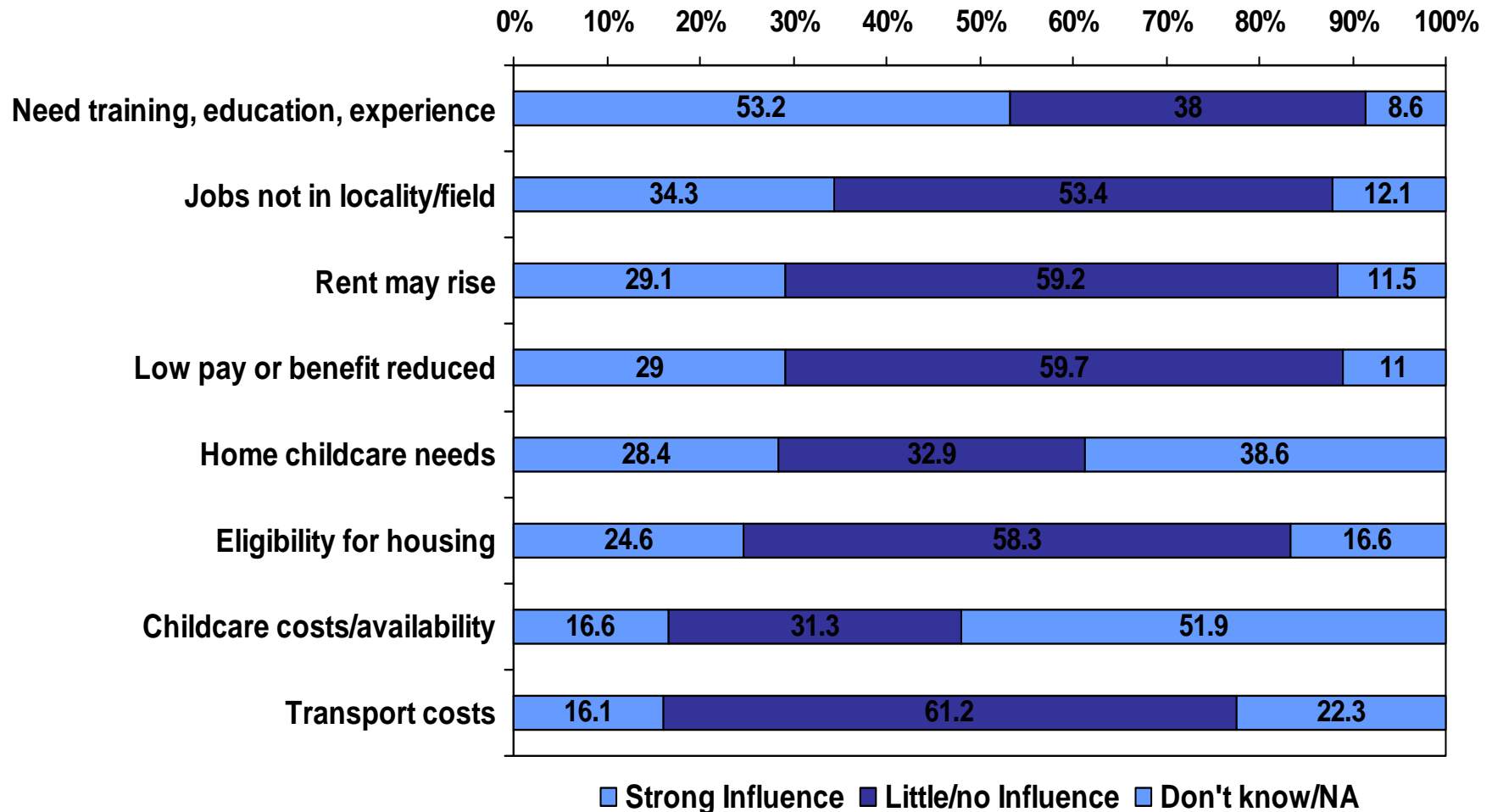
	Employed (N=43,977)	'Employable' (N=56,382)
Mean income (\$ pw)	771	379
% Rebated	48.3	100.0
Mean main tenant age	47.9	45.4
Mean household size	2.6	2.4
% w/ disability	13.5	18.3
% Indigenous	5.0	8.2
% Grt Need*	9.0	21.3

*Of newly allocated households

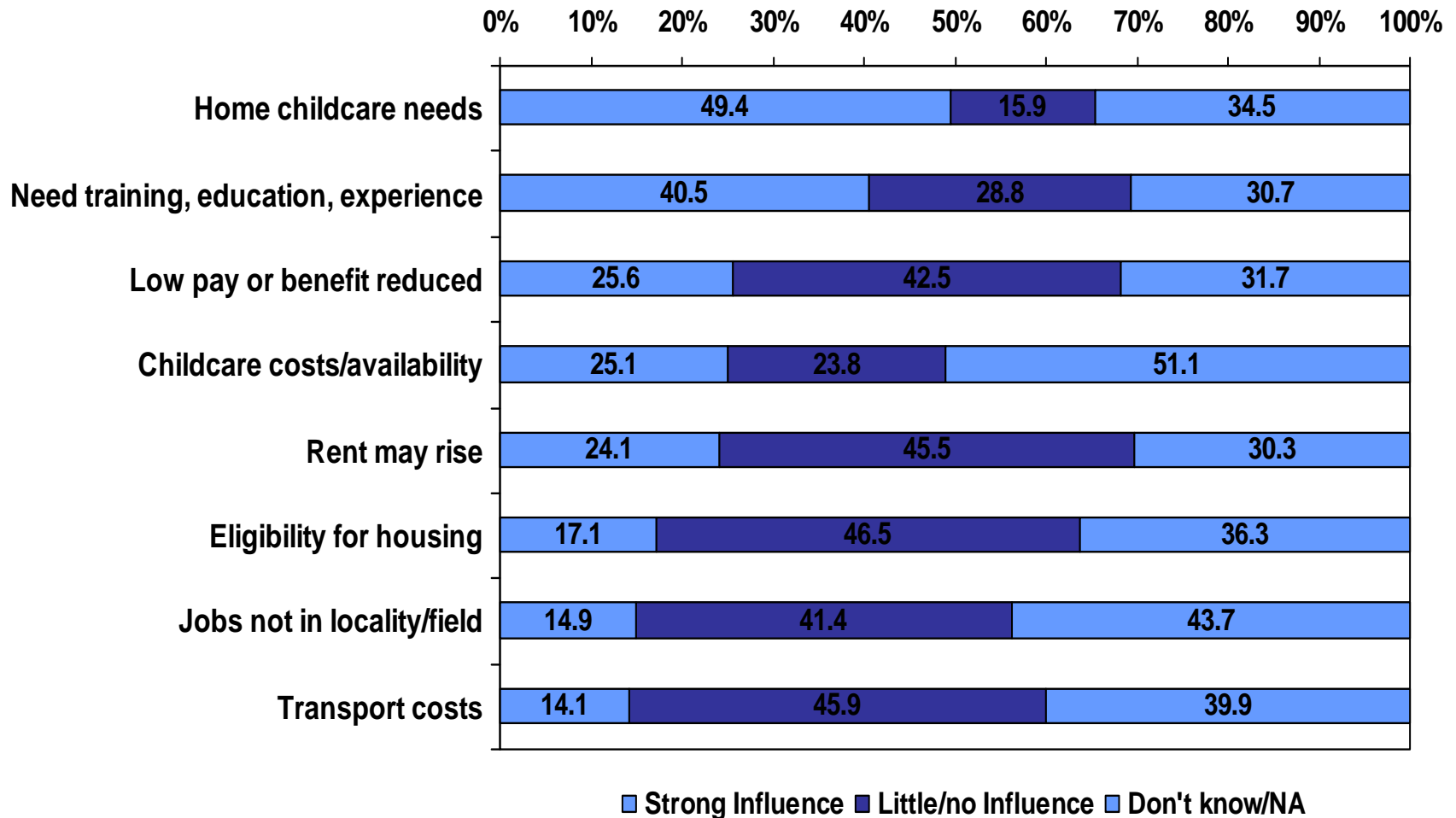
Structural barriers?

- Public housing tenants, who can be disadvantaged in many ways, have limited employment prospects.
- System acting as disincentive? - rent rebates and Centrelink rates reduce as income increases making employment less financially appealing (AIHW 2007)

Barriers for unemployed jobseekers



Barriers for tenants not looking/available



Conclusions

- Affordable doesn't necessarily mean tenants avoid financial deprivation. Could other financial outcomes be targeted/measured also?
- CSHA Guiding Principle for economic participation: one size may not fit all?
 - 8% of households currently receive wages as their primary income. While perhaps 20% more could potentially avoid joblessness there are numerous and complex barriers to their participation.

Future directions

- Policy focus on welfare reform and affordability requires a strong evidence base
 - Rich information available in public housing dataset and National Social Housing Survey data
- New National Housing Agreement is expected to involve a new performance framework
 - Capacity to measure outcomes in greater depth (e.g., employment outcomes, expand on barriers to employment, financial deprivation indicators)

More information?

- AIHW Housing Assistance Unit website:
www.aihw.gov.au/housing/assistance/index.cfm
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