

A nationwide analysis of the risk of homelessness in Australia



Based on AHURI Final Report No. 370: Estimating the population at-risk of homelessness in small areas

What this research is about

This research produces Small Area Estimates (SAE) of the population at-risk of homelessness in Australia. Estimates are provided both as raw numbers and as a rate per 10,000 persons aged 15 years and over, at the ABS defined spatial scales Statistical Area level 2 (SA2) and Statistical Area level 3 (SA3). An SA2 is an area with a typical a population ranging from 3,000 to 25,000 persons and can be thought of as a suburb or small group of related suburbs while an SA3 is essentially an aggregation of SA2s and have a population ranging from 30,000 to 130,000.

The context of this research

An experience homelessness is a surprisingly common in the Australian population, with more than 116,000 Australians, or 50 in every 10,000 people, experiencing homelessness on any given night. To reduce these numbers, it is necessary to prevent those at risk of homelessness actually becoming homeless. This involves a better understanding the population at risk and implement primary prevention initiatives targeted at this population.

In this study people were considered at-risk of homelessness if they resided in rental housing and were experiencing at least two of the following: low income; vulnerability to discrimination in the housing or labour markets; low social resources and supports; needing support to access or maintain a living situation due to significant ill health, disability, mental health issues or problematic use of alcohol and other drugs; and a tight housing market context. From here additional misfortunes, experiences and losses can then mean people move from being at-risk to experiencing actual homelessness.

The key findings

National at-risk population

The estimated rate of risk per 10,000 persons ranges between 846.9 per 10,000 (8.5% of the total population aged 15 years and over) and 1,165 per 10,000 (11.7%). This range equates to between 1.5 and 2 million Australians at-risk of homelessness—all of whom reside in rental housing.

National estimates were produced using national population weights in HILDA, and also by aggregating up our SAEs to the national level. This produced a range of the total population at risk. HILDA estimates produced the highest numbers suggesting 11.7 per cent of the Australian population aged 15 years and over qualified as at-risk of homelessness in 2016. This equates to 2,227,607 people spread across 1,360,643 households (13.9% of households).

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Who is most likely to be at risk of homelessness

Those at-risk are more likely to be female, Indigenous and be living in a lone person or lone parent household. They are more likely to identify as lesbian, gay or bisexual, and report fair or poor health. They are more likely to be low-income, unemployed or outside the labour force, and in receipt of income support payments. Those at-risk have lower levels of educational attainment, are more likely to report difficulty paying bills and rent on time and are more likely to experience a range of indicators of material deprivation such as skipping meals and being unable to heat their home.

Spatial distribution of at-risk of homelessness population

The highest rates of risk (per 10,000 persons) are found in remote areas and in selected areas of capital cities. The greatest number of people at-risk are living in greater capital cities on the eastern coast of Australia, in both central and suburban locations.

The rate of homelessness risk

The rate of homelessness risk at SA2 and SA3 level varies considerably. At the SA2 level the rate of homelessness risk ranges from 87.3 (Gelorup-Stratham, WA) to 5,040 (Aurukun, QLD) per 10,000; while at the SA3 level the rate varies from 206.9 (Nillumbik-Kinglake, VIC) to 3,366.4 (East Arnhem, NT) per 10,000.

More generally, the highest rates of risk are in the Northern Territory (NT), followed by Queensland (QLD) and South Australia (SA). The lowest rates of risk are in the Australian Capital Territory (ACT) followed by Victoria (VIC).

Areas with moderate/average rates of risk in capital cities, such as the outer west in Melbourne or substantial segments of the eastern 10 kilometre ring of Perth, can still have high numbers of people at-risk, due to their larger population size.

The number of people at risk

When translating the rate of risk into number of people, differences in totals first and foremost reflect differences in population sizes. Consequently, the greatest numbers of people at-risk of homelessness are estimated to be in NSW, VIC and QLD, the three most populous states. The NT, which has the highest rate with an estimated risk of 1,384.3 per 10,000 persons, on a number of people basis has the second lowest number of people at-risk. Only the ACT has a lower number of estimated people at-risk.

The profile of those at risk

The profile of those at-risk in NSW, VIC, QLD and WA are quite similar, with the greatest variation being for Indigenous status. In VIC, 2.18 per cent of those at-risk are Indigenous while around 10 per cent of those at-risk in QLD, WA and TAS are Indigenous.

Except for Indigenous status, TAS and SA have similar profiles for their at-risk populations. With labour force status and disability featuring more strongly than other states. The majority of those in both these states are in low-income households (82.46% and 79.31% respectively).

In the NT, the majority of those at-risk are Indigenous (62.9%) and are unemployed or outside the labour force (63.5%). A smaller proportion of the at-risk population are working less than 35 hours per week (15.5%) and a lower proportion of those at-risk are in low-income households (52.7%). The ACT has a lower proportion of persons at-risk who are unemployed or outside the labour force (49.2%) and who are Indigenous (4.2%) than the NT. However, they have a higher proportion of their at-risk population working 35 hours or less (26.9 %) and living in low-income households (62.5%).

‘Those at-risk are more likely to be female, Indigenous and be living in a lone person or lone parent household.’

Geographical risk analysis

For most states and territories there is little variation in the proportion at-risk between Greater Capital City and Rest of State areas. For example, 8.11 per cent of those in Greater Sydney are at-risk of homelessness compared with 9.1 per cent of those in rest of state areas. The NT is the exception with a far greater per cent at-risk in rest of state areas (23.8%) compared with Greater Darwin (7.8%).

Figure 1 shows that the rate of homelessness risk is particularly high in remote and sparsely populated areas of the NT, SA and, to a lesser extent, QLD. In these areas the at-risk of homelessness rate ranges from 1,333 to 3,400 people per 10,000 residents. The higher rate of homelessness risk in the NT is, in part, driven by the greater proportion of Indigenous residents.

Of those SA3s with the highest rate of homelessness risk, four out of the top five are found in the NT: East Arnhem (3,366 per 10,000), Daly—Tiwi—West Arnhem (3,265 per 10,000 persons), Barkly (2,793 per 10,000 persons) and Katherine (2,218 per 10,000 persons). Far North in QLD also makes the top five with a rate of homelessness risk at 2,327 per 10,000 persons.

QLD has a further four SA3s with some of the highest proportions at-risk in the country – Caboolture (1,369 per 10,000); Cairns—South (1,364 per 10,000); Brisbane Inner (1,361 per 10,000) and Southport (1,358 per 10,000).

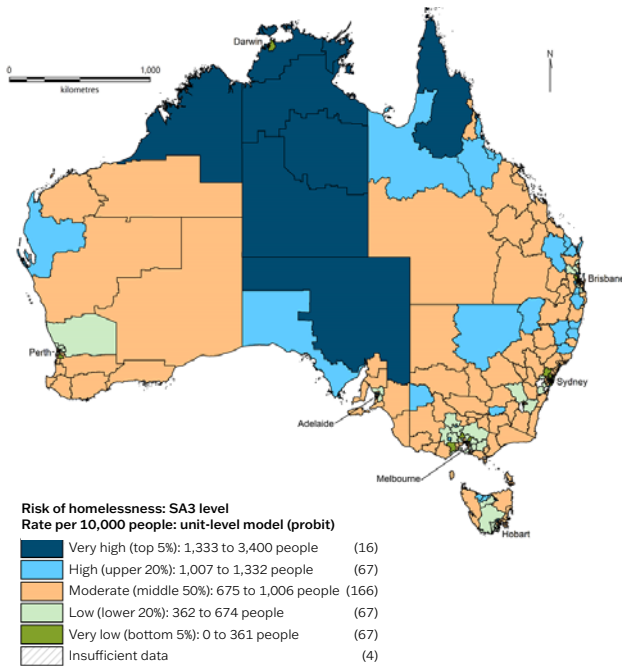
SA has three SA3s with particularly high rates of homelessness: Adelaide City (1,496 per 10,000); Playford (1,415 per 10,000) and Outback - North and East (1,379 per 10,000). In WA, Kimberley has a rate of homelessness risk of 2,073 per 10,000, while in VIC, Melbourne City has a rate of 1,634 per 10,000 persons at-risk of homelessness.

Looking at the raw numbers in capital cities, rather than a rate per 10,000 persons, it is clear that there are pockets of higher and lower risk across all capital cities.

Figure 2 highlights the situation in Australia’s two largest cities – Sydney and Melbourne.

Within Greater Sydney, higher numbers at-risk of homelessness are evident in the city centre with corridors of high and moderately high risk extending to the west and south of the city. In Melbourne, high numbers of persons at-risk are evident in the central city area, in the middle north and inner west with a corridor extending through the south eastern suburbs. A corridor of moderately high numbers of people at-risk is also evident through the inner, middle and outer west of Melbourne and into the northern suburbs.

Figure 1: Risk of homelessness (rate per 10,000 people), unit-level SA3 estimates

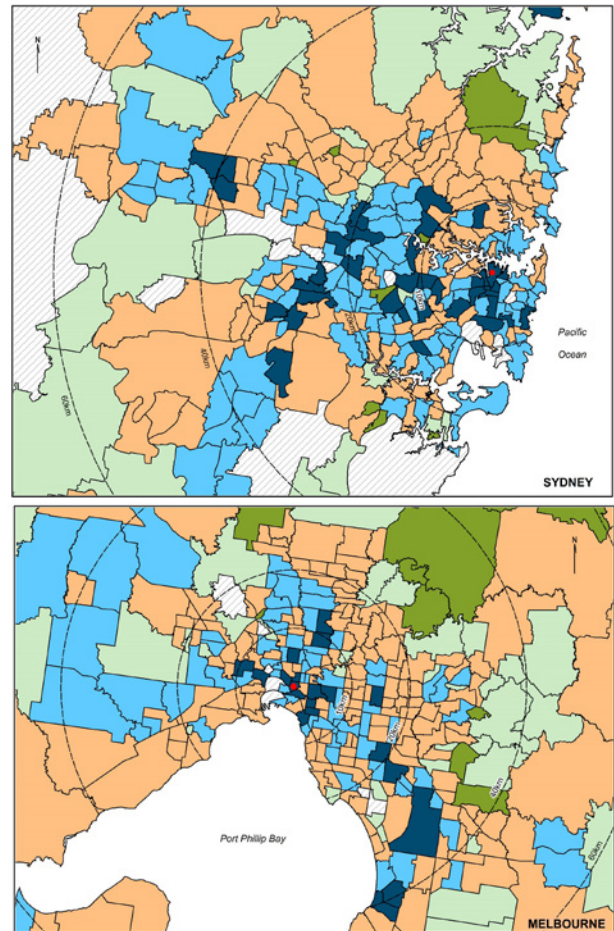


Source: AHURI Final Report No. 370.

Beyond Sydney and Melbourne (refer to Final Report No. 370 for map):

- In Brisbane, the highest numbers of those at-risk can be found in outer suburban locations with patches of moderately high risk emanating from the central city area.
- In Adelaide, many of those at-risk are concentrated in the central city area with areas of moderately high risk extending to the south and north east of the city.
- In Perth, areas with higher numbers of people at-risk are evident in the central city area and in the inner north and inner south east of the city. Moderately high numbers of people at-risk are also concentrated around the central city areas with some extensions to the south, north and eastern suburbs.
- In contrast, Hobart does not have any areas with high numbers at-risk. However, it does have a cluster of moderately high risk in its city centre, with pockets extending into the north-western suburbs.

Figure 2: Persons (aged 15+) at-risk of homelessness, unit-level (probit) model, Sydney and Melbourne SA2’s



Source: AHURI Final Report No. 370.

What this research means for policy makers

The sheer number of people at-risk of homelessness—between 1.5 million and 2 million people aged 15 years and over—demands a stronger focus on primary prevention of homelessness in Australia. Successful prevention requires a detailed understanding of the incidence of homelessness risk in the population, and the profile of those at-risk, at the national as well as local levels. The findings in this report suggest that primary prevention initiatives require both spatial and aspatial approaches, some of which sit beyond the usual scope of homelessness policy and sit across all levels of government.

In terms of national levers for primary prevention of homelessness risk, key priority areas include increasing the levels of income support payments and Commonwealth rent assistance (CRA) and increasing labour market earnings for the lowest paid. The Commonwealth is also best positioned to play a central coordinating role in developing primary prevention policy.

Importantly, our findings also suggest numerous opportunities for state, territory and local governments to enact primary homelessness primary prevention initiatives in a spatially nuanced way. There is a well-documented shortage of affordable private rental and social housing options for low-income households. By definition all those at-risk of homelessness in this study will be residing in these tenures. To reduce risk, an increase in availability of rental housing options for low-income households is required. The SAEs outlined in this report can be used to target this housing where it is most needed and assess local demand.

The profile of those at-risk also suggests opportunities for enhancing existing secondary prevention initiatives. This includes private rental access programs that provide ongoing rent subsidies for people at imminent risk of homelessness, as well as the payment of rent arrears and advocacy with landlords.

Being Indigenous is associated with greater homelessness risk—and with higher rates of actual homelessness. A large proportion of those at-risk in remote areas are Indigenous. These areas also have some of the highest rates of homelessness in the country and would benefit from further targeted support developed in consultation with those communities.

Those at-risk are more likely to report living with a disability and fair or poor health. This is consistent with existing research which documents the role of poor physical and mental health in precipitating homelessness as well as the substantial health impacts of homelessness. There is a clear role for state and territory governments to ensure access to health and disability supports across areas, especially for those on low-incomes.

The detailed national profile produced in HILDA highlights that those at-risk have lower levels of educational attainment and many of those at-risk have children living with them. Given what is known about intergenerational transmission of poverty, homelessness, and low educational attainment, state and territory government investment in educational engagement for disadvantaged students could pay off in-terms of reducing future risk of homelessness.

Finally, the production of SAEs highlighted the need to improving sampling coverage for survey data such as HILDA and improving access to existing Census data in order for researchers to improve SAEs in the future.

Methodology

This research combines data from the Household, Income and Labour Dynamics in Australia (HILDA) survey and customised data from the 2016 Census of Population and Housing. It used two different approaches to small area estimation – unit level and area-level (fay-herriot) models and compared and contrasted the results.

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To cite the AHURI research, please refer to:

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