

Housing, housing assistance and well being

*Does housing assistance make a significant contribution to well being? If so, what type of housing assistance is most useful? And what aspects of our lives are improved by housing and housing assistance? As debate continues in Australia about the most effective type of housing assistance, these are pertinent questions. This bulletin reports on one of several AHURI projects exploring the links between housing and non-housing outcomes for different groups in the community. It is based on research by **Patrick Mullins** and **John Western** of the AHURI Queensland Research Centre.*

KEY POINTS

- The research results generally support previous studies which have found that housing *in itself* is not the root cause of disadvantage. Housing is one thread in a complex web of interlinked factors which form advantage and disadvantage.
- Significant improvements in non-housing outcomes seem unlikely to result solely from improvements in housing. Action to reduce disadvantage would need to focus more broadly, meaning that a 'whole of government' approach is necessary to tackle problems in an integrated way.
- Further study could be done to measure the relative improvement in non-housing outcomes following receipt of housing assistance.
- Public housing tenants fared poorly in almost all the non-housing outcomes examined (nine factors were considered).
- Yet public housing tenants lived in the strongest communities; they were likely to have strong local ties. The downside of this finding is that strong communities *of themselves* did not resolve other factors of disadvantage; cohesive community may not be a critical factor in solving key problems.

“...public housing tenants were more likely to have strong local ties...”

BACKGROUND

Debates about housing assistance in Australia often hinge on the view that good housing – and specifically that acquired through government assistance – has positive outcomes for individuals and households. While this is a plausible assumption, there is little direct empirical evidence to demonstrate these outcomes. This study aimed to provide evidence to either back up or disprove this assertion.

The researchers undertook a cross sectional analysis using data from a 1999 sample survey of 1347 South East Queensland residents. They compared different tenure groups against nine non-housing outcomes, with a specific interest in seeing whether those who received government housing assistance were significantly different from other tenure groups.

The nine non-housing outcomes were: community, crime, poverty, social exclusion, perceived well being (subjective quality of life), anomie (a measure of marginalisation), health, education, and labour force participation.

The research focused on seven tenure groups: home owners; home purchasers; public housing tenants; low-income private tenants in receipt of government assistance; low-income private tenants not in receipt of government assistance; other private tenants; and other tenants. Each group was compared according to the non housing outcomes, with particular attention to the three low-income housing groups: public housing tenants; low-income private tenants in receipt of government assistance; and low-income private tenants not in receipt of government assistance.

When comparing these three groups, the researchers assumed that those in receipt of government assistance would have better outcomes than those not in receipt of this assistance.

FINDINGS

HOUSING TENURE AND NON-HOUSING OUTCOMES

If government housing assistance had a marked impact upon non-housing outcomes, we could expect to see relatively little difference between those in receipt of this assistance and those residing in other forms of tenure, on at least some outcomes. In fact, there were marked differences between the groups, with public housing tenants, followed by low-income private tenants, tending to have the worse outcomes.

Public housing tenants had the lowest mean score for perceived quality of life, health status, perceived health, and employment status (i.e. they were more likely to be unemployed or outside the workforce). They had the greatest fear of crime, the highest rate of poverty, and the highest rate of anomie. They had the second highest score for social exclusion and experience of crime, and second lowest score for educational attainment. However public housing tenants were more likely to have strong local ties (they live in strong communities).

Low-income private tenants in receipt of government assistance had the highest rate of social exclusion. They also had the second lowest level of perceived well being and employment status, the second highest rate of anomie, the second lowest level of perceived health, and the lowest level of educational attainment.

Clearly, if receipt of government assistance has positive outcomes for public housing tenants and low-income private tenants, these benefits are not enough – of themselves – to pull these people out of their disadvantaged circumstances.

Low-income private tenants who *did not* receive government assistance had the second highest rate of poverty but interestingly, they had the highest health status and third highest level of perceived health. This is most likely because they are a young population.

COMPARING LOW-INCOME TENANTS

A comparison was made of low-income tenants who received government assistance (either through public housing or other forms of assistance) with those who did not receive any such assistance through a hierarchical linear regression analysis which controlled for age, household income and ethnicity.

This showed that those receiving government assistance had worse non-housing outcomes than those low-income private tenants who received no assistance.

It appears that the characteristics that made the former group eligible for assistance also defined how they fared on non-housing outcomes. That is, those who qualified for assistance were more disadvantaged than those who did not qualify, and the housing assistance received was not able to overcome their relatively greater level of disadvantage.

EXPLAINING THE NON-HOUSING OUTCOMES

What are the factors at work that might explain the non-housing outcomes for these tenancy groups? Could the type of tenure (private rental, low income with and without rent assistance, public housing, home owner, home purchaser or other types of tenancy) have a causal impact on the outcomes reported above?

To examine these questions the researchers used a multiple regression analysis with the following variables:

two housing variables (tenure, and housing quality); two demographic variables (age, and gender); a cultural variable (ethnicity); four socio economic variables (education, occupation, household type, and household income); a political variable (political activism); and a location variable – the place in which people lived within South East Queensland (e.g. inner Brisbane, the Gold Coast).

In this analysis, income and job skills were the main determinants of non-housing outcomes. That is, those with the highest incomes and skill levels fared better on indicators of community, crime, poverty, social exclusion, perceived well being, anomie, health, education, and labour force participation.

The strongest predictors of social exclusion were low household income, being a low-income private tenant in receipt of government assistance and having a primary education. Not surprisingly, low household income was also the strongest predictor of both poverty and anomie.

By contrast, high household income was among the best predictors of a high perceived quality of life. (The other predictors were: living in a couple household; living in a nuclear family household; and living in a sole parent household, that is, compared to other household types.)

The best predictors of a low perceived quality of life were public housing tenancy, being a home purchaser and being in the category 'other private tenants'.

Housing – or the type of tenancy – was a predictor of social exclusion, perceived quality of life, anomie and experience of crime. In particular, public housing tenants and low income private tenants fared worse than other tenure types on these indicators.

“...income and job skills were the main determinants of non-housing outcomes...”

POLICY IMPLICATIONS

Since the analysis found that socio-economic factors such as income and job skills were key determinants of non-housing outcomes, it is logical to suggest that improvements in these areas would do most to improve outcomes for Australia's most disadvantaged groups.

This research agrees with previous findings that housing in itself is not the root cause of disadvantage. It is unrealistic to expect improvement in people's housing circumstances to completely redress disadvantage.

The cross sectional analysis of this study did not enable measurement of changing circumstances following housing improvement. A detailed longitudinal study to track changing circumstances after receipt of housing assistance could fill this gap in knowledge.

These findings suggest that tackling disadvantage is best done through a 'whole of government' approach, in which all relevant policy areas have a stake in producing a co-ordinated response to the issue.

FURTHER INFORMATION

For more information about this research project, the following papers are available:

- Positioning Paper
- Work in Progress Paper
- Final Report

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