

House of Representatives Standing Committee on Economics –

Inquiry into Home Ownership

ANSWERS TO QUESTIONS ON NOTICE

Department of Social Services, Public Hearings, Friday 26 June 2015

Question no: 1

Topic: Housing and Homelessness research

Hansard Page: 28-29

CHAIR: It is very clear that the tax laws of deductibility have created this industry, which is an unintended industry—the tax laws just allow you to deduct losses against other income. It is a very common investment now, as we have learnt from all sorts of people, to negatively gear property. Has there ever been some consideration given to how adjustments could be made to direct that investment of the negative gearing brigade to the supply of affordable housing and social housing?

Mr Scott: On the basis of looking at it from a tax perspective, no, we would not be able to comment on that; that would be more for our colleagues from Treasury, although the likes of the Australian Housing and Urban Research Institute, whom we partner with with the Commonwealth and the states, have done a range of research in these sorts of areas. That would be one possible source of information. We would be happy to take on notice and furnish the committee with relevant work that AHURI has done in this sort of area.

Answer:

The Department of Social Services is aware that there has been a range of research undertaken on negative gearing and the financing of affordable housing, including the following research conducted by the Australian Housing and Urban Research Institute (AHURI):

- Project 80647 - Modelling the impacts of the Henry Review tax recommendations on housing supply and affordability (2010),
<http://www.ahuri.edu.au/publications/projects/p80647>.
- Project 20280 - Motivations of investors in the private rental market (2005),
<http://www.ahuri.edu.au/publications/projects/p20280>.
- Project 81009 - The financing of residential development in Australia (2012),
<http://www.ahuri.edu.au/publications/projects/p81009>.
- Project 30440 - International measures to channel investment towards affordable rental housing and their adaptation to Australian conditions (2009),
<http://www.ahuri.edu.au/publications/projects/p30440>.
- Project 30206 - Financing affordable housing: a critical comparative review of the United Kingdom and Australia (2003),
<http://www.ahuri.edu.au/publications/projects/p30206>.
- Project 30021 - New approaches to expanding the supply of affordable housing in Australia: an increasing role for the private sector (2000),
<http://www.ahuri.edu.au/publications/projects/p30021>.

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Question no: 2

Topic: Housing and Homelessness staffing

Hansard Page: 30

Mr HUSIC: I understand there were about 20 people responsible for either policy advice or program management on housing and homelessness issues within the Department of Social Services. I understand the number of people has been cut from 20 to just under five.

Mr Scott: In terms of the specific numbers, we will take it on notice but, generally—and I will give you more specific advice on notice—the numbers do not sound correct. Obviously, the numbers of staff we have devoted to housing and homelessness issues will fluctuate over time in line with policy priorities, but our housing and homelessness branch by itself has more than 30 staff. If you then include our national NRAS branch, we would have numbers up of 50 to 60.

Mr Thomas: Staffing levels would be around 65.

Mr Scott: I am happy to be more specific—

Mr HUSIC: Yes, if you can take that on notice. Have there been redundancies in the area that would have provided advice on housing and homelessness?

Mr Scott: The DSS more broadly, like most government departments, has gone through downsizing through efficiency dividend and other decisions. There will have been some voluntary redundancies from our housing and homelessness group, but again I am happy to give you more specific advice on notice. I do not think that that would be out of kilter with what has happened in the department more broadly.

Answer:

As at 30 June 2015, there were 65.69 Full Time Equivalent (FTE) staff working on housing and homelessness matters in the Housing, Homelessness and Assurance Group. This figure includes ongoing and non-ongoing staff working on the National Rental Affordability Scheme (NRAS), but does not include contractors (from recruitment agencies) engaged for NRAS claims processing. It also does not include Group Senior Executive staff.

The Group is supported in its work by other areas across the Department, as necessary.

For the period 1 July 2014 to 30 June 2015, six voluntary redundancies were taken by housing and homelessness staff in the Group.

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Question no: 3

Topic: Growth in homelessness rates

Hansard Page: 31-32

Mr CRAIG KELLY: Are you seeing a greater need, a greater issue of homelessness becoming an increasing problem? Is that something you have seen over the last 12 to 18 months?

Mr Scott: Again, the states and territories are primarily responsible for delivering homelessness services, but through the Australian Institute of Health and Welfare we do have a national data collection mechanism, and there was an increase of several per cent from 2012-13 to 2013-14 for specialist homelessness services. Over the last several years, we have also experienced strong growth in Commonwealth rent assistance payments.

Mr CRAIG KELLY: Just going back to that seven per cent increase—

Mr Scott: Sorry; it was a 'several' per cent increase.

Mr CRAIG KELLY: Several or seven?

Mr Scott: I do not have the specific percentage change year on year, but my recollection is that it was somewhere in the four to seven per cent range. Again, I am happy to give you the specific number on notice.

Mr CRAIG KELLY: If you could, thank you.

Answer:

The Australian Institute of Health and Welfare (AIHW) began the Specialist Homelessness Services (SHS) Collection in July 2011. SHS Collection data provides information on the number of clients accessing SHS. Over the last three years, around 45 per cent of clients accessing SHS were homeless and approximately 55 per cent were at risk of homelessness. As shown in the table below, the increase in clients accessing services between 2011-12 and 2012-13 was 3.3 per cent, and between 2012-13 and 2013-14 was 4 per cent.

The AIHW publishes its SHS data at www.aihw.gov.au/homelessness-publications/.

Table 2: Total annual clients accessing Specialist Homelessness Services, and percentage difference year-on-year (source: *AIHW SHSC supplementary tables*)

Annual number of all SHS clients			% difference	
2011-12	2012-13	2013-14	2011-12 to 2012-13	2012-13 to 2013-14
236,429	244,176	254,001	3.3	4.0

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Department of Social Services, Public Hearings, Friday 26 June 2015

Question no: 4

Topic: Growth in homelessness

Hansard Page: 32

Mr CRAIG KELLY: If you could, thank you. Has that been a consistent increase over a number of years or was that a spike up? What has the trend been over the last decade?

Mr Scott: I would have to take that on notice just to have a look at the time series.

Answer:

There is no consistent data available over the past decade on people accessing specialist homelessness services to allow comparison and trends. This is due to the fact that Specialist Homelessness Services Collection (SHSC) time series data, collected from July 2011 by the Australian Institute of Health and Welfare (AIHW), is not directly comparable with the Supported Accommodation Assistance Program (SAAP) National Data Collection (which the SHSC replaced). The SHSC is a more comprehensive data collection, with greater ability to identify individual clients, and a much larger amount of homelessness service providers in scope for the collection.

Information relating to the differences between the SAAP National Data Collection and SHSC can be found in appendix D of the *Specialist Homelessness Services Annual Report 2011-12* (<http://www.aihw.gov.au/publication-detail/?id=60129542549>).

Based on the *Specialist Homelessness Services Annual Report 2013-14*, published by the AIHW, the number of people who were homeless, or at risk of homelessness, and accessed a specialist homeless service in 2013-14 was 254,001 clients.

From the *SAAP Annual Report 2003-04*, an estimated 152,900 people were supported by SAAP agencies in the year, recognising that this figure cannot be directly compared to the 2013-14 SHSC figure.

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Question no: 5

Topic: Demand for homelessness services

Hansard Page: 32

Mr CRAIG KELLY: Is there any change in the mix of that demand? Is it coming more in, say, the major capital cities of Sydney and Melbourne—are you seeing a greater increase there?

Mr Scott: In terms of jurisdictional or even regional breakdown, we would have to have a look and see what data is available. Sorry. I am familiar with the national statistics, not the detail.

Answer:

The Australian Institute of Health and Welfare (AIHW) publishes Specialist Homelessness Services (SHS) Collection data of clients accessing services by the geographical location of the agency from which they received assistance in that particular year. Agencies are classified by remoteness area based on the Australian Bureau of Statistics remoteness structure (i.e. major cities, inner regional, outer regional, remote/very remote) using location details of each agency. The table below shows the total number and proportion of clients accessing SHS by location, between 2011-12 and 2013-14.

The SHS data is available at www.aihw.gov.au/homelessness-publications/.

Table: Number and proportion of Specialist Homelessness Services clients by location 2011-12 to 2013-14
(Sources: AIHW *Specialist Homelessness Services Annual Report 2011-12; 2012-13 and 2013-14*)

	Major cities	Proportion of all clients	Inner Regional	Proportion of all clients	Outer regional	Proportion of all clients	Remote/ Very Remote	Proportion of all clients
2011-12*	136,762	60%	53,888	24%	27,827	12%	10,770	5%
2012-13	151,255	62%	54,547	22%	26,692	11%	11,682	4%
2013-14	159,877	63%	55,510	22%	26,784	11%	11,831	5%

Note: Percentages may not add to 100% totals due to rounding

* 2011-12 data are the originally published figures. These have not been revised through the Australian Institute of Health and Welfare's 2012-13 reweighting of 2011-12 data process.

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Question no: 6

Topic: Demographic data around homelessness

Hansard Page: 32

Mr CRAIG KELLY: Have you seen a breakdown of the demographic data? Is it more skewed, to say, women—perhaps indicating increases in domestic violence? Is it more because of elderly people? Are you seeing more younger people? Is there any change in the mix of the demographic?

Mr Scott: In terms of just basic demographics, nearly 60 per cent of the specialist homelessness services clients are female. Around a quarter are reported to be of Indigenous origin. In terms of the age cohorts, around half the clients—say 49 per cent—are in the 25- to 54-year cohort. Just to group it up for you, 17 years and below would be around 27 per cent and over 55 around seven per cent. That would be for the 2013-14 year. I am happy to take on notice whether there has been any particular change in composition over time.

Answer:

The below tables provide a breakdown of available demographic data, including numbers of clients accessing Specialist Homelessness Services (SHS) by age and gender, and numbers of clients identifying as indigenous. This information is published by the Australian Institute of Health and Welfare (AIHW) at www.aihw.gov.au/homelessness-publications/.

Table 1: Specialist Homelessness Services Collection (SHSC) national data from 2011-2012 to 2013-2014 (source: AIHW SHSC supplementary tables)

Annual number of all SHS clients				Difference in number		% Difference	
Age group	2011-12	2012-13	2013-14	2011-12 to 2012-13	2012-13 to 2013-14	2011-12 to 2012-13	2012-13 to 2013-14
0-9	39,241	37,771	41,141	-1,470	3,370	-3.7	8.9
10-14	13,729	12,854	13,919	-875	1,065	-6.4	8.3
15-17	15,288	14,783	14,636	-505	-147	-3.3	-1.0
18-24	40,634	42,055	42,922	1,421	867	3.5	2.1
25-34	45,259	47,700	48,894	2,441	1,194	5.4	2.5
35-44	42,232	44,424	45,777	2,192	1,353	5.2	3.0
45-54	24,993	27,396	28,531	2,403	1,135	9.6	4.1
55-64	10,196	11,367	12,100	1,171	733	11.5	6.4
65+	4,857	5,826	6,083	969	257	20.0	4.4
Total	236,429	244,176	254,001	7,747	9,825	3.3	4.0

Note: Totals may vary slightly from sum of the cells above due to rounding of figures by the AIHW.

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Table 2: Specialist Homelessness Services Collection (SHSC) national data from 2011-2012 to 2013-2014 showing breakdown by age for male SHS clients (source: *AIHW SHSC supplementary tables*)

Annual number of male SHS clients				Difference in male number		% Difference (male)	
Age group	2011-12	2012-13	2013-14	2011-12 to 2012-13	2012-13 to 2013-14	2011-12 to 2012-13	2012-13 to 2013-14
0-9	20,102	19,324	21,103	-778	1,779	-3.9	9.2
10-14	6,709	6,237	6,892	-472	655	-7.0	10.5
15-17	6,223	6,023	6,006	-200	-17	-3.2	-0.3
18-24	14,388	15,146	15,490	758	344	5.3	2.3
25-34	15,207	16,473	16,598	1,266	125	8.3	0.8
35-44	15,959	17,323	17,539	1,364	216	8.5	1.2
45-54	11,011	12,351	12,488	1,340	137	12.2	1.1
55-64	4,886	5,445	5,582	559	137	11.4	2.5
65+	2,314	2,799	2,849	485	50	21.0	1.8
Total	96,798	101,122	104,547	4,324	3,425	4.5	3.4

Note: Totals may vary slightly from sum of the cells above due to rounding of figures by the AIHW.

Table 3: Specialist Homelessness Services Collection (SHSC) national data from 2011-2012 to 2013-2014 showing breakdown by age for female SHS clients (source: *AIHW SHSC supplementary tables*)

Annual number of female SHS clients				Difference in female number		% Difference (female)	
Age group	2011-12	2012-13	2013-14	2011-12 to 2012-13	2012-13 to 2013-14	2011-12 to 2012-13	2012-13 to 2013-14
0-9	19,139	18,447	20,038	-692	1,591	-3.6	8.6
10-14	7,020	6,617	7,028	-403	411	-5.7	6.2
15-17	9,065	8,760	8,630	-305	-130	-3.4	-1.5
18-24	26,246	26,908	27,432	662	524	2.5	1.9
25-34	30,052	31,227	32,296	1,175	1,069	3.9	3.4
35-44	26,274	27,100	28,238	826	1,138	3.1	4.2
45-54	13,982	15,045	16,043	1,063	998	7.6	6.6
55-64	5,310	5,922	6,518	612	596	11.5	10.1
65+	2,542	3,027	3,234	485	207	19.1	6.8
Total	139,630	143,054	149,455	3,424	6,401	2.5	4.5

Note: Totals may vary slightly from sum of the cells above due to rounding of figures by the AIHW.

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Table 4: Specialist Homelessness Services Collection (SHSC) national data showing comparison of male and female clients from 2011-2012 to 2013-2014 (source: *AIHW SHSC supplementary tables*)

	2011-12		2012-13		2013-14	
	no.	% of total	no.	% of total	no.	% of total
Male	96,798	41	101,122	41	104,547	41
Female	139,630	59	143,054	59	149,455	59
Total	236,428	100	244,176	100	254,002	100

Table 5: Estimated number and proportion of clients who identify as indigenous (source: *Specialist Homelessness Services Annual Reports 2011-12, 2012-13 and 2013-14*)

Year	Indigenous		Non-Indigenous	
	no.	% of total	no.	% of total
2011-12	43,642	22	157,227	78
2012-13	46,607	22	160,740	78
2013-14	49,615	23	167,286	77

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Department of Social Services, Public Hearings, Friday 26 June 2015

Question no: 7

Topic: Demographic data around homelessness

Hansard Page: 32

Mr CRAIG KELLY: Amongst the data you have, do you show the increases in each of those demographic groups over a period of time?

Mr Scott: No. I would have to take that on notice for you. I could also tell you, though, that in 2013-14 around a third of all specialist homelessness services were provided to people experiencing family or domestic violence—just to go back to one of the other issues you flagged.

Answer:

See the Department's response to question 6.

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Department of Social Services, Public Hearings, Friday 26 June 2015

Question no: 8

Topic: Drivers of increase in people accessing homelessness services

Hansard Page: 32

Mr CRAIG KELLY: Given you think there has been, you said, a four to a seven per cent increase, can you give an opinion of what you believe is the major driver of that increase. Is it increases in domestic violence? Is it the cost of housing? Is it changes in unemployment?

Mr Scott: I think we can take that on notice and get a time series put together of the data from the specialist homelessness services that might be able to shed some light on that. I can tell you here, for instance, that around a third of services provided in 2013-14 were for people experiencing financial difficulties and housing crisis. There were 91,500 homelessness services delivered for those reasons. We can have a look and see if we have a breakdown over time—see if there has been a change in the composition of the numbers of people accessing services for those different reasons.

Answer:

The Government recognises that homelessness is a complex issue that affects many Australians. It requires a long-term and systematic effort across agencies, sectors and the community. According to the Australian Institute of Health and Welfare (AIHW), which publishes Specialist Homelessness Services (SHS) Collection data, the three main reasons clients seek assistance from SHS are domestic and family violence, financial difficulties, and housing crisis (see table below).

SHS data can be accessed at www.aihw.gov.au/homelessness-publications/.

Table: Main reasons for Specialist Homelessness Services clients seeking assistance (sources: *AIHW Specialist Homelessness Services Annual Report 2011-12; 2012-13 and 2013-14*)

	2011-12	2012-13	2013-14
Domestic and family violence	25%	23%	24%
Financial difficulties	15%	16%	15%
Housing Crisis	13%	15%	16%

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Department of Social Services, Public Hearings, Friday 26 June 2015

Question no: 9

Topic: Commonwealth Rent Assistance

Hansard Page: Page 36

Mr CRAIG KELLY: Three thousand eight hundred and something—okay. Given that is the average level of assistance, what would the average level of the real market rent that it is subsidising be? Do you have any sums on that? Say it is rounded off to \$4,000. Is an average rent something like \$20,000 a year, and therefore it is a 20 per cent subsidy the Commonwealth is giving? Are there any numbers like that available?

Mr Scott: I imagine we could put some estimates together for you, but obviously there would be some challenges just through the fact that the people accessing CRA are right across Australia.

Answer:

As at December 2014, the average fortnightly rent paid by individuals and families eligible for Commonwealth Rent Assistance (CRA) under the *Social Security Act 1991* and *A New Tax System (Family Assistance) (Administration) Act 1999* was \$466.37, and the average fortnightly CRA entitlement was \$111.15. Therefore, on average, the Commonwealth subsidises around 24 per cent of the rent paid by individuals and families eligible for CRA.