



## **Housing and Urban Research Institute Western Australia**

### **September-October 2007 Newsletter**

The Housing and Urban Research Institute undertakes research and conducts consulting work for a range of potential clients which include the private and public sectors, academic institutions and NGOs regarding housing and urban issues. If you wish to discuss a piece of research regarding housing or urban and regional issues you need conducted, please contact Professor Fiona McKenzie at the Housing and Urban Research Institute of Western Australia on 9266 1087.

#### **1. THE POLARISATION OF HOUSING AFFORDABILITY**

Australian Housing & Urban Research Institute (AHURI), Judith Yates

One of the puzzling results of aggregate affordability measures in Australia shown in an earlier Research Paper for NRV3 (Yates and Gabriel, 2006) was the remarkable stability of the proportion of households in the past decade who spend at least 30 per cent of their gross household income in meeting their housing costs.

Such households are defined as being at risk of facing a housing affordability problem. This proportion varied by just 1 percentage point between 1994-95 and 2003-04. It fell to a low of 14.6 per cent in 1996-97 and rose to a high of 15.7 per cent in 1997-98 and again in 2003-04. It has remained within these bounds for the period for which data are readily available.

At first glance, this relative stability appears to be at odds with aggregate housing data over the same period. In the decade to 2004, housing markets in Australia experienced a significant number of changes. The most remarkable of these was the rapid increase in house prices that occurred in the 5 years to 2004 when house prices doubled and real house prices increased by more than 50 per cent. This followed a 25 per cent increase in real house prices in the preceding 5 years.

One outcome of this increase has been a commensurate increase in the house price to income ratio. The ratio of median house prices to (annual) household incomes rose from a relatively stable value of around 3 to 4 in the early 1990s to an all time high of around 7 at the peak of the housing price boom in the early 2000s.

For more information, go to:

[http://www.ahuri.edu.au/publications/download/nrv3\\_research\\_paper\\_8](http://www.ahuri.edu.au/publications/download/nrv3_research_paper_8)

\*\*\*

## **2. SUPPORTING THE HOUSING OF PEOPLE WITH COMPLEX NEEDS**

Michael Bleasdale, For the Australian Housing and Urban Research Institute  
UNSW-UWS Research Centre

This paper is the final report of a research project undertaken by the UNSW/UWS AHURI Research Centre, which looks at the linkages between housing and support for people with complex needs, specifically within three target groups: people with physical disability, people with intellectual disability, and people with mental illness.

The research looks at the extent to which the Australian policy context enables people in the three target groups to access and maintain 'regular' housing, as opposed to special, supported or cared housing, and aims to add to the evidence about what approaches assist in making these arrangements 'succeed'.

This chapter restates the original research aims, including the broad research questions that it set out to answer, and also summarises the content of the Positioning Paper (<http://www.ahuri.edu.au/publications/projects/p70311/>) produced as the first milestone in the research. The research questions were:

1. What alternative paradigms, beyond the application of good housing models simultaneous with good quality support services, can be applied to the determination of whether support and housing arrangements for people with complex needs can be viewed as successful and 'seamless'?
2. What benchmarks or other markers of standards or quality need to be reached in order to determine the success of both housing and support arrangements, and the combination of both, which take account of objectively agreed outcomes and subjective wellbeing?
3. What broad housing options, both social/public and private, rental and purchase, are in place where linkages between housing and support for people with complex needs are successful, and what mechanisms ensure the continued provision of accessible housing stock and the ability to fund support to people living in fully or partially owned private housing?
4. What factors contribute to the successful coordination and delivery of housing and support to people in these target groups, in terms of particular support service and housing initiatives, and collaboration and cooperation by governments, between government departments, and services across and within sectors?
5. To what extent are the factors that determine success for people with complex needs present in support and housing initiatives for people in the three target groups across Australia, through particular initiatives delivered in each of the states and territories?
6. With respect to initiatives in three states (NSW, WA and Victoria), how do the means of entry into support services and housing, and the methods of maintenance and support once there, affect clients? To what extent do such initiatives differ in regional and rural areas, and how might future directions need to take account of regional differences?
7. What modifications to service and housing initiatives, and to collaborative and cooperative arrangements across governments, across government departments and across and within service sectors, are needed in order to achieve a seamless on-the-ground delivery of support and housing to people with complex needs?

For more information, go to:

[http://www.ahuri.edu.au/publications/download.asp?ContentID=70311\\_fr](http://www.ahuri.edu.au/publications/download.asp?ContentID=70311_fr)

\*\*\*

### **3. A Review of the Integration of State & Territory Housing and Disability Policies in Australia**

National Research Venture 2: 21st Century housing careers and Australia's housing future - Research Paper No. 2

Selina Tually, for the **Australian Housing and Urban Research Institute Southern Research Centre**

This report investigates the extent of integration of state and territory housing and disability policies in Australia to August 2006. It does this in order to understand how and to what extent relevant state and territory policies and plans address the housing and assistance needs of people with disabilities, and what strategies are in place in each jurisdiction to address growing housing assistance demand from people with disabilities.

Importantly, the report also provides a policy background and context for current empirical research being undertaken by the Southern Research Centre (SRC) of the Australian Housing and Urban Research Institute (AHURI) into the housing careers of people with disabilities in Victoria, as part of AHURI's National Research Venture 2, 21st Century Housing Careers and Australia's Housing Future.

The first and main section of the report reviews the disability and housing policies and plans in place in each state and territory in Australia. It provides a summary of the aims of these documents and briefly outlines the strategies in place to meet the stated aims of the policies. The discussion in this section also outlines the cross-over or integration of the policies, i.e. how and to what extent state/territory disability policies integrate housing policy or emphasise housing assistance measures to achieve better (housing and support) outcomes for people with disabilities.

The key policies and plans reviewed in this section include:

*.. general (mainstream) and specialist policies and plans where in place (i.e. those specifically for people with disabilities); and .. policies guiding relevant government departments and agencies, i.e. state/territory housing and/or disability departments/agencies.*

The report also briefly investigates the main thrust of both the Commonwealth State Housing Agreement (CSHA) and the Commonwealth State/Territory Disability Agreement (CS/TDA) and the implications (and influence) of these Agreements for state and territory housing and disability policies.

The final section of the report summarises the findings of the research. It is important to place a caveat here: this review relied on identifying the key state and territory disability and housing policies and plans as they are available on the websites of relevant governments and government departments. Accordingly, it may be the case that this review has not identified all relevant documents. The report is therefore a brief review of policies as publicly available over the internet, as at the beginning of August 2006.

For more information, go to:

[http://www.ahuri.edu.au/publications/download.asp?ContentID=nrv2\\_research\\_paper\\_2](http://www.ahuri.edu.au/publications/download.asp?ContentID=nrv2_research_paper_2)

\*\*\*

### **4. Housing Affordability and Financial Stress**

National Research Venture 3: Housing affordability for lower income Australians

Judith Yates, the **Australian Housing and Urban Research Institute, Sydney**

## Research Centre

The purpose of this report is to provide a statistical analysis of the factors that contribute to financial stress. The key question addressed is whether housing stress (when the analysis is limited to lower income households) or high housing costs (when all households are included) contribute to financial stress. A measure of financial stress is derived from the deprivation and financial stress indicators reported in the 2003-04 Household Expenditure Survey. The remainder of this chapter describes the data available in the HES, describes the measures of financial stress employed, and provides a brief overview of relevant results from studies that have used these data from earlier surveys.

Chapter 2 presents a descriptive overview of results on housing and financial stress at an aggregate level from the most recent HES. Chapter 3 provides a more detailed analysis of these results disaggregated by a range of potential risk factors such as income, age, household type and tenure. It concludes with a formal analysis of their inter-relationships. Chapter 4 summarises the key conclusions from the analysis.

For more information, go to:

[http://www.ahuri.edu.au/publications/download/nrv3\\_research\\_paper\\_6](http://www.ahuri.edu.au/publications/download/nrv3_research_paper_6)

\*\*\*

## 5. Trends in Australian Non-Metropolitan Housing Markets, 1991-2001

M. Wulff, M. Reynolds, E. Healy, S. Legg and S. Baum for the **Australian Housing and Urban Research Institute**, Swinburne-Monash Research Centre, (AHURI Final Report No. 107).

In 2001, about one third of Australians lived beyond the eight State or Territory capital cities. Non-metropolitan Australia comprised a population of 6.9 million people living in a vast area of almost 7.7 million kilometres. By international standards, this represents a small population and an extremely low population density.

Approximately 84 per cent of the area of non-metropolitan Australia is classified in this report as 'remote regions', and with less than half a million inhabitants, the population density averaged only 0.1 persons per square kilometre. In the more-densely settled accessible non-metropolitan regions, there were 62 urban settlements of more than 10,000 inhabitants that collectively housed 53 per cent of the non-metropolitan population. The derivation of these settlement types is explained in chapter two. Between the 'remote regions' and the relatively large 'cities, centres and towns' lies an area of almost 1.1 million square kilometres inhabited by 2.7 million people, predominantly in hundreds of small townships along with a very small population dispersed on thousands of farms and outback 'stations'.

Even more striking on a continental scale is the coastal concentration of the non-metropolitan population resulting from a combination of broadly historical and environmental factors summarised in our Positioning Paper (Wulff et al. 2005)....

For more information, go to:

[http://www.ahuri.edu.au/publications/download.asp?ContentID=50264\\_fr](http://www.ahuri.edu.au/publications/download.asp?ContentID=50264_fr)

\*\*\*

## 6. **Operating Deficits and Public Housing: Policy Options for Reversing the Trend-2005/06**

Dr Jon Hall and Professor Mike Berry, for the Australian Housing and Urban Research Institute

Government-assisted or sponsored public housing represents a key component of affordable housing in Australia, yet at end of the 2005/06 financial year the total stock of public housing has again fallen well below that which applied in 2000/01. The erosion in the level of public housing stock over this period is similar to that which occurred over the previous five-year period, recorded in our 2004 report, "Operating Deficits and Public Housing: Policy Options for Reversing the Trend".

A key constraint on the continued provision of mainstream public housing in Australia is that the net incomes after rebates received by housing authorities should at least pay for their operational costs (net of interest paid or received). If this is not the case, any addition to stock expands the funding required to pay for the growing deficit. If funding is not forthcoming, the only option for reducing or freezing the additional funding requirement is to sell stock and therefore reduce the number of households provided with longer-term assistance (Donald, 2001). The evidence is now mounting that it is this latter scenario that is happening.

The rate at which these deficits are growing, and the time at which deficits outstrip current real levels of grant funding are matters of critical policy concern. The 2004 report was based on information up to and including the 2000/01 financial year. Consequently that report is now five years out of date. Mindful of the difficult issues facing public housing in Australia, and in need of more current information on operating deficits, the Housing Ministers Advisory Committee (HMAC) requested that AHURI to seek cooperation from the authors to update the 2004 report.

For more information, go to:

[http://www.ahuri.edu.au/publications/download.asp?ContentID=30359\\_fr](http://www.ahuri.edu.au/publications/download.asp?ContentID=30359_fr)

## 7. [Housing affordability: a 21st Century problem](#)

(Final Report)

This report provides an overview of the major findings that have emerged out of the third AHURI-funded National Research Venture (NRV3), *Housing affordability for lower income Australians*. It identifies the major risks and challenges in relation to Australia's housing problem in the 21st century, as well as drawing out policy implications.

## 8. [No. 99: International practice in planning for affordable housing: lessons for Australia](#)

(Positioning Paper)

This paper presents the review of international practice in planning for affordable housing and establishes a methodological framework for the subsequent empirical component of the study.

\* \* \*

## **Disability Support Services 2005-2006: Data on Services Provided under the Commonwealth State/Territory Disability Agreement**

The Australian Institute of Health & Welfare

Approximately 217,000 Australians, or 1 in every 100 people, access disability support services with service users most likely to be males aged around 30 years, according to a report released today by the Australian Institute of Health and Welfare (AIHW).

The Disability Support Services 2005-06 report presents information collected from over 9,000 service outlets throughout Australia funded under an agreement between the Commonwealth and State and Territory governments.

The services aim to improve the quality of life of people with disability by providing support and assistance across a range of life activities. Approximately 58% of all service users were male. The median age of services users was 31 years-higher for females (35 years) than males (29 years). Over half (56%) of service users aged 16 years and over reported the Disability Support Pension as their main source of income. Around 45% of all service users accessed community support services such as therapy, early childhood intervention and case management, while over one-third (34%) used employment services. Around one-quarter (26%) of service users accessed more than one service type.

Intellectual disability was most commonly reported by service users as their primary disability (33%), followed by psychiatric disability (14%), and physical disability (12%). Indigenous service users comprised about 1 in 30 users (3.3%). These service users were also much younger than other users (median age of 25 years), and more likely than others to report multiple disability groups. Close to half (45%) of all service users reported having a carer-in the majority of these cases (59%) the carer was the service user's mother.

For more information, go to: <http://www.aihw.gov.au/publications/dis/dss05-06/dss05-06.pdf> to download the report

\*\*\*

### **Feature event**

#### **National Housing Conference, Sydney 2008 21-22 February**

The Australian Housing and Urban Research Institute (AHURI), the NSW Department of Housing and the Australian Government Department of Families, Community Services and Indigenous Affairs are pleased to once again host the [National Housing Conference](#). This event brings together all those with an interest in housing to discuss and debate the future direction of Australia's housing system.

\*\*\*

### **Housing information**

Visit our [Housing Data](#) page for regularly released national housing data, freely available from a range of sources. This information includes data on housing finance, house prices and building activity.

The Australian Bureau of Statistics has scheduled the release of the following information in October:

- Building Approvals Data
- Housing Finance Data
- Building Activity Data
- Lending Finance Data
- Consumer Price Index