

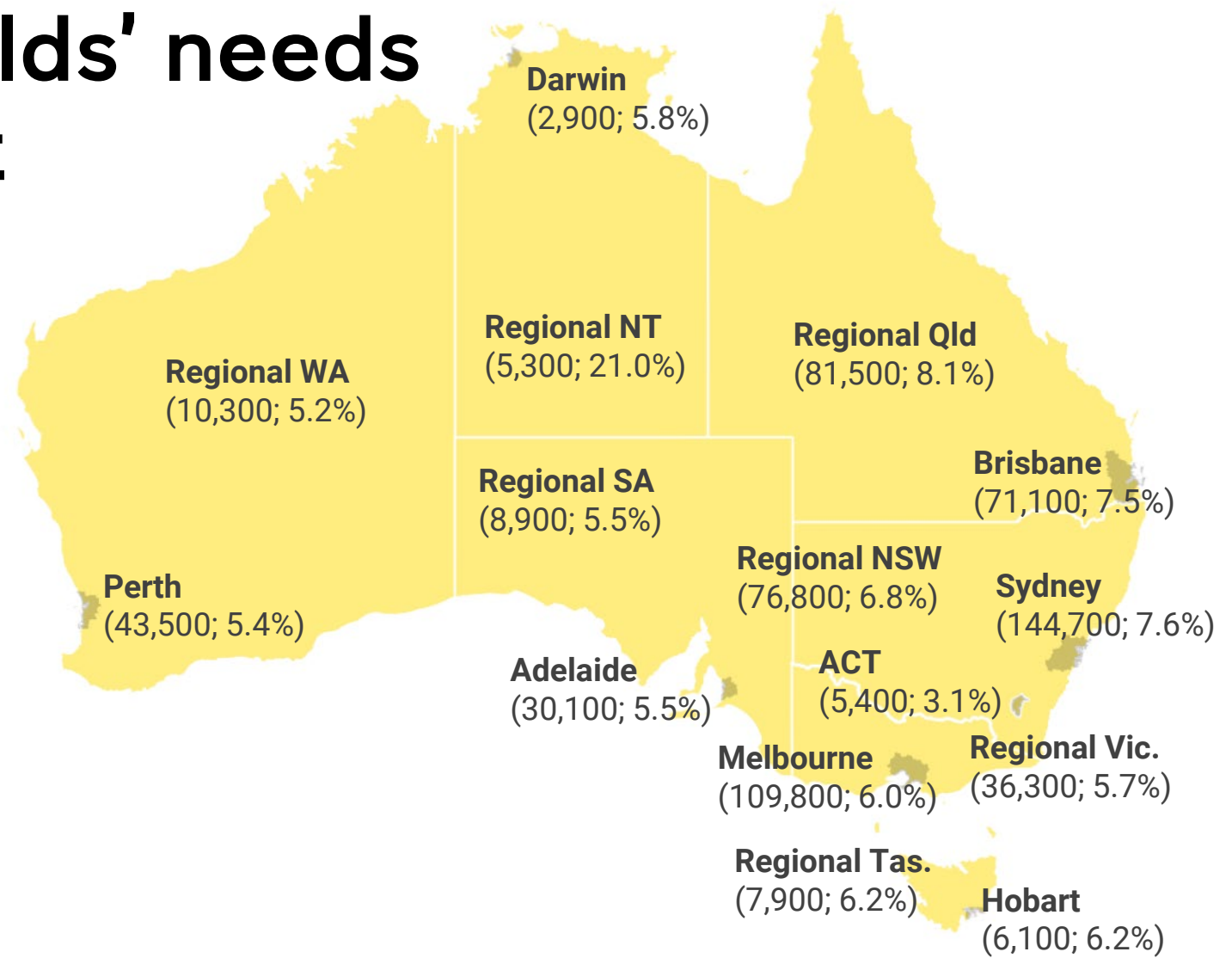
Unmet housing need

Ryan van den Nouwelandt

2040 Vision | 2-May 2023



640,000 households' needs are not being met across Australia (6.6% of households)



Quantifying Australia's unmet housing need
A national snapshot

Prepared for the
Community Housing Industry Association

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November 2022

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THE UNIVERSITY OF SYDNEY

The meaning of housing need:

How is the model constructed?



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SYDNEY



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What's the model?

Objective:

**Identify those whose housing needs
are not being met by market housing**

A proxy measure for demand for social and affordable housing
(or NRAS or CRA or income support...)

What's the model? (Who do we count?)

From Canadian 'core need' standards:

Low income

and any of:

Rent stress

Overcrowding

Poor building condition

What's the model? (Who do we count?)

Australian Census provides much of this:

Low income

Weekly income thresholds	Very low income	Low income
Singles	\$425	\$600
Couples (and other adult groups)	\$875	\$1,450
Families with children	\$1,475	\$2,050

What's the model? (Who do we count?)

Australian Census provides much of this:

Low income

and any of:

Rent stress: derived from income and rent

Overcrowding: severe overcrowding enumerated as homeless

Poor building condition: improvised dwellings enumerated as homeless

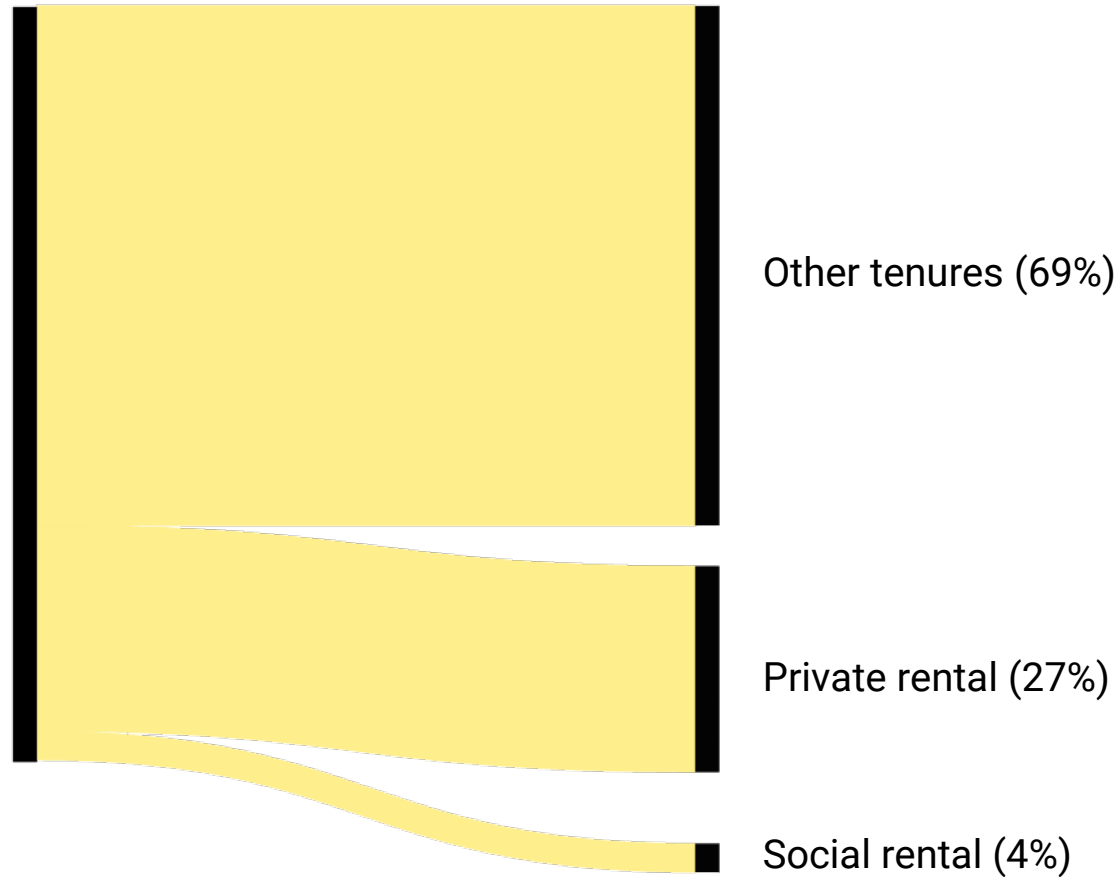
What's the model? (Do the counting)

Start with all households in Australia
(about 9.6 million households)



What's the model? (Do the counting)

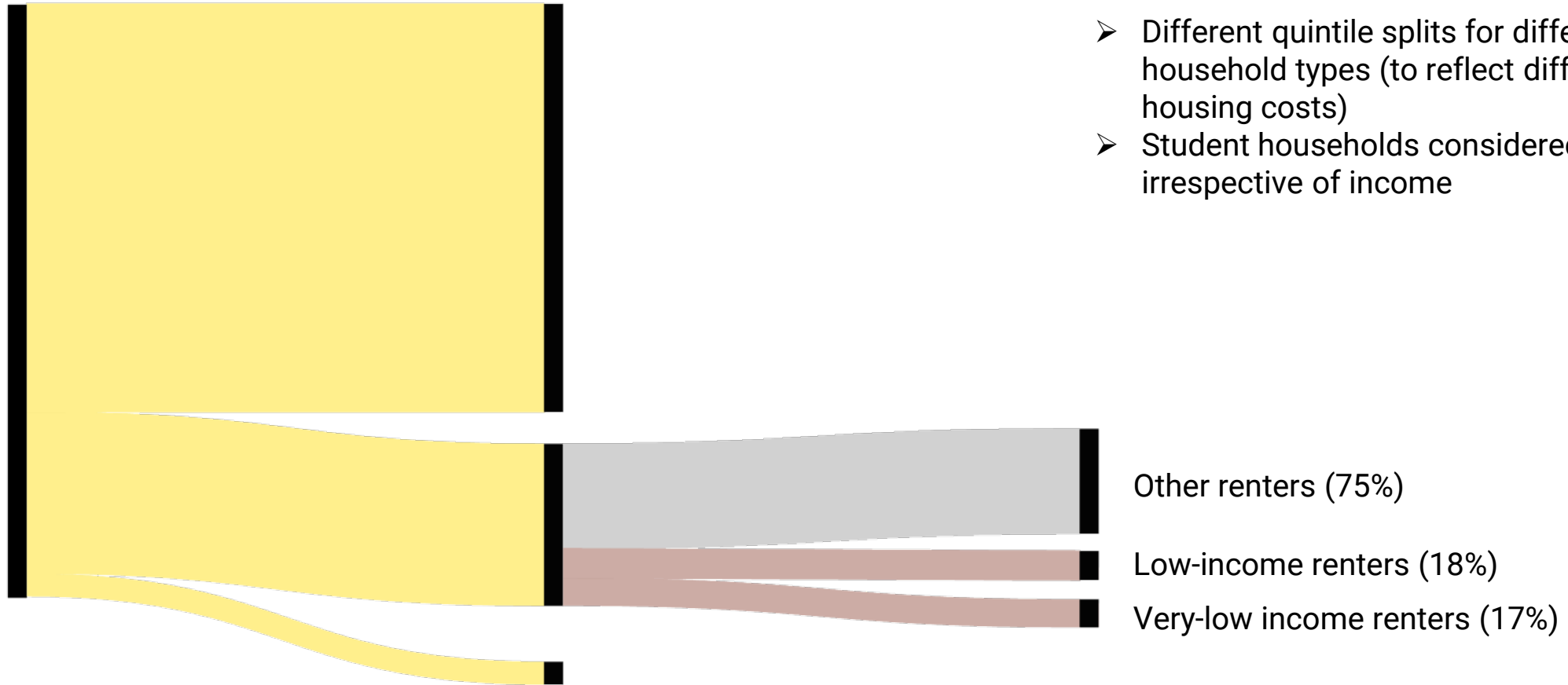
Split them into tenures



What's the model? (Do the counting)

Split private rental into income groups

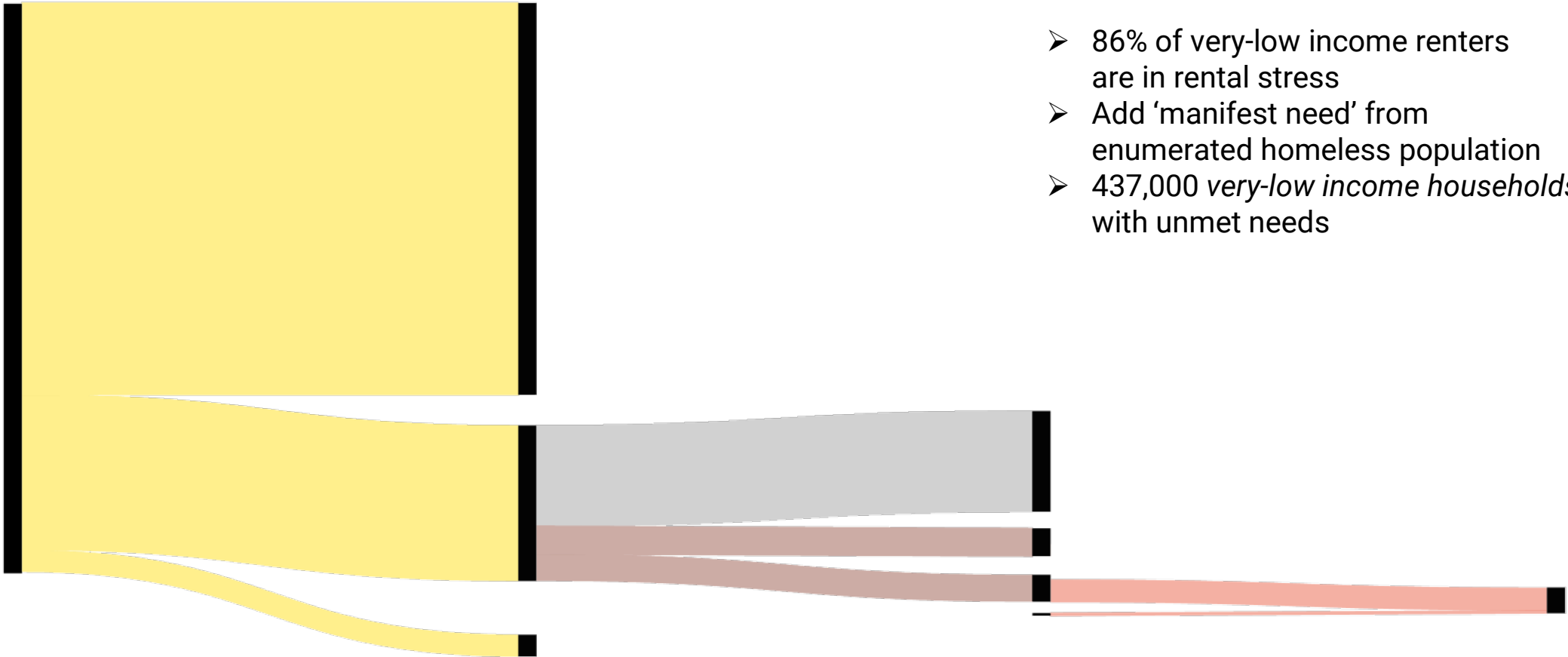
- Different quintile splits for different household types (to reflect different housing costs)
- Student households considered 'other' irrespective of income



What's the model? (Do the counting)

Identify those in rental stress

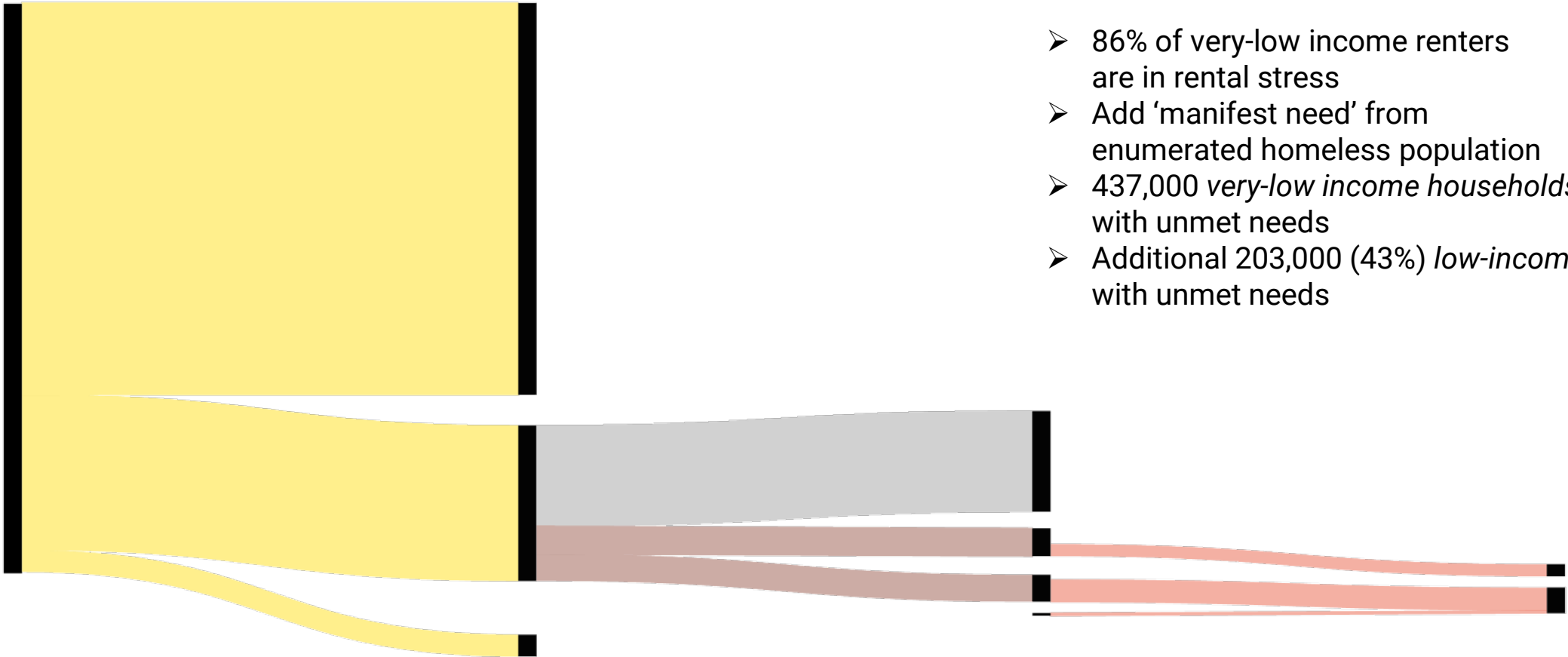
- 86% of very-low income renters are in rental stress
- Add 'manifest need' from enumerated homeless population
- 437,000 *very-low income households* with unmet needs



What's the model? (Do the counting)

Identify those in rental stress

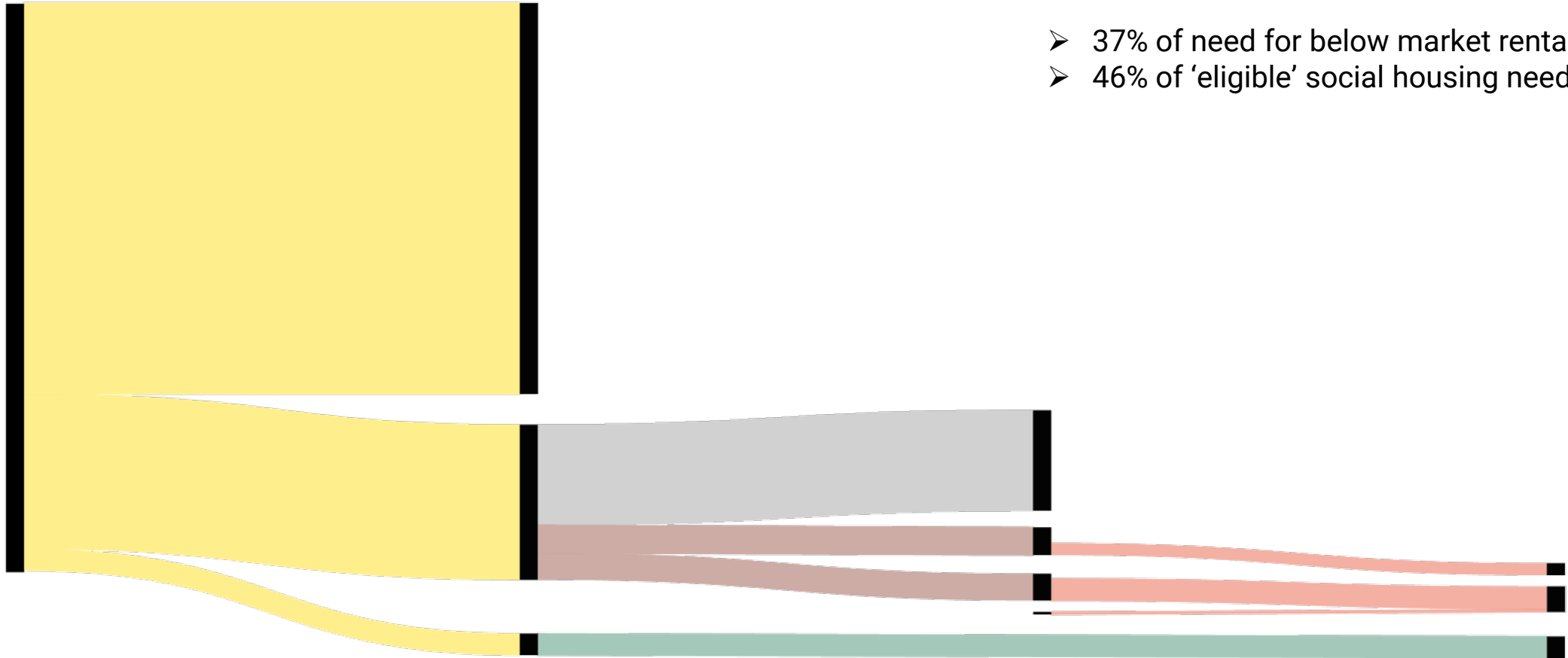
- 86% of very-low income renters are in rental stress
- Add 'manifest need' from enumerated homeless population
- 437,000 *very-low income households* with unmet needs
- Additional 203,000 (43%) *low-income renters* with unmet needs



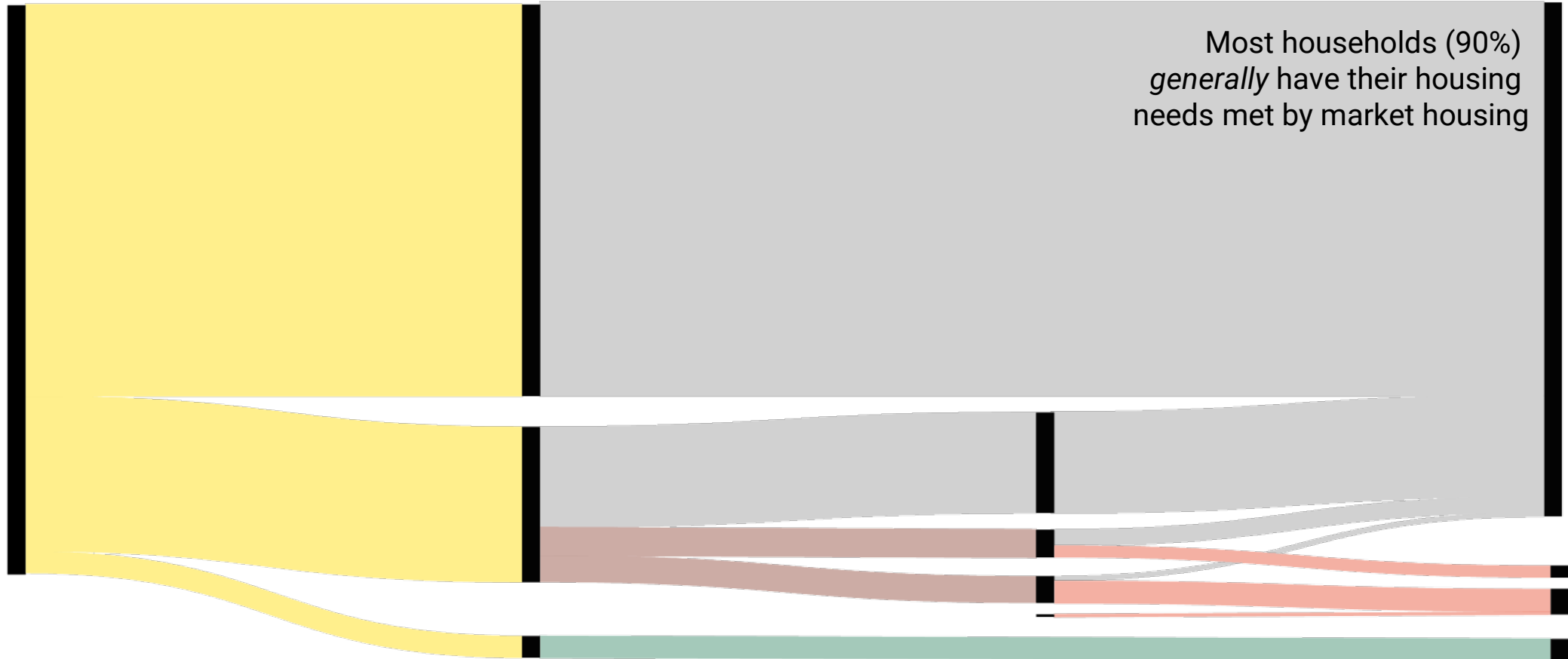
What's the model? (Do the counting)

Social housing as 'met needs'

- 37% of need for below market rental met
- 46% of 'eligible' social housing need met



What's the model? (Do the counting)



Headline findings:

What does the model tell us?



Headline findings

1. unmet need is everywhere
2. unmet need is not uniform
3. unmet need is not a 'spike'
4. unmet need can be met!

1. Unmet need is everywhere

Highest unmet need (SA4)

Gold Coast	24,400
Sydney - Inner South West	21,500
Melbourne - West	20,200
Melbourne - South East	19,200
Sydney - South West	18,600

Lowest unmet need (SA4)

South East	900
Western Australia - Outback (North)	1,400
Queensland - Outback	1,500
South Australia - Outback	1,800
Western Australia - Wheat Belt	2,300



Highest % of households (SA4)

Northern Territory - Outback	21.1%
Sydney - South West	12.7%
Sydney - Parramatta	10.6%
Sydney - Inner South West	10.2%
Logan - Beaudesert	10.0%

Lowest % of households (SA4)

Australian Capital Territory	3.1%
Sydney - Baulkham Hills and Hawkesbury	4.0%
Sydney - Sutherland	4.0%
Western Australia - Wheat Belt	4.3%
Sydney - Northern Beaches	4.3%

2. Unmet need is not uniform

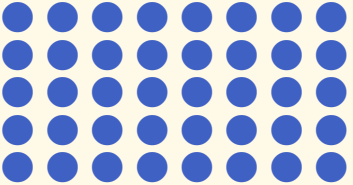

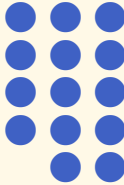



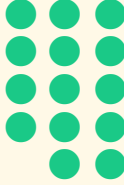
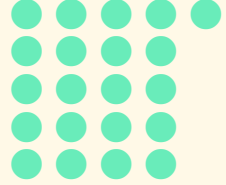
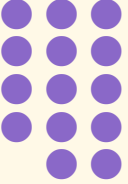
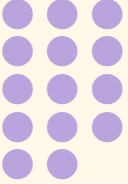
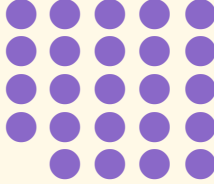
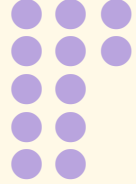


	Victoria	
	Q1 rent stress	Q2 rent stress
Family		
Couple		
Single		
Homeless		

Compare three councils' unmet housing needs:

- Melbourne LGA (5,800)
- Hume LGA (6,100)
- Central Goldfields LGA (500)

7.7% of households in each

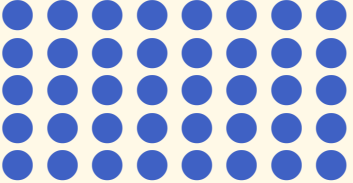

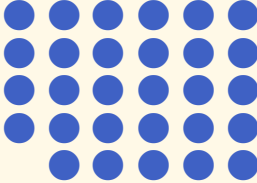




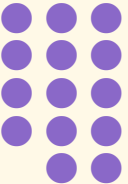
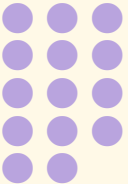
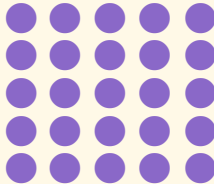
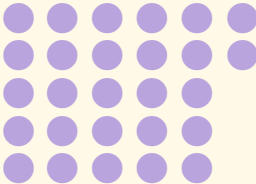


Inner city: High costs, affecting Q2

	Victoria			Melbourne LGA	
	Q1 rent stress	Q2 rent stress		Q1 rent stress	Q2 rent stress
Family					
Couple					
Single					
Homeless					

Urban fringe: Destination of Q1 families

	Victoria			Hume LGA					
	Q1 rent stress	Q2 rent stress		Q1 rent stress	Q2 rent stress				
Family	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div></div>	<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div>		<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div><div></div><div></div></div>	<div><div></div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div>				
Couple		<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div>			<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div>	
Single		<div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div>	<div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div>			<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div><div></div></div> <div><div></div><div></div></div> <div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div>	
Homeless	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>			<div><div></div><div></div><div></div></div>					

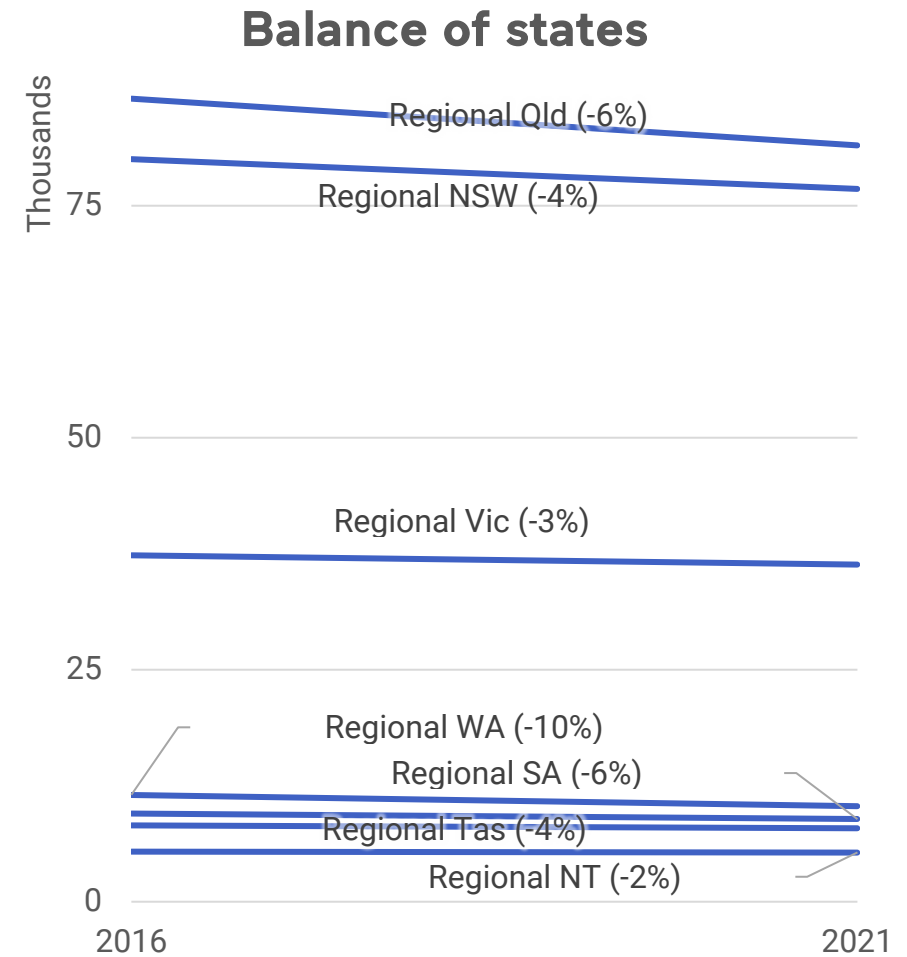
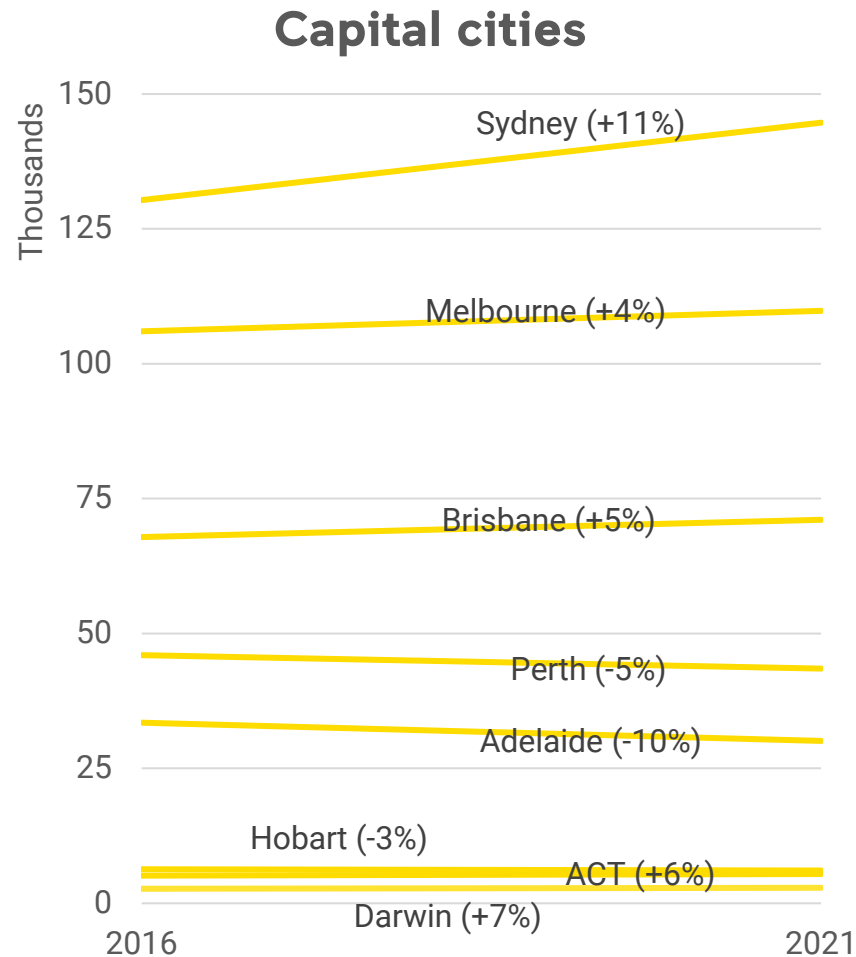
Regional: No options for singles

	Victoria			Central Goldfields LGA	
	Q1 rent stress	Q2 rent stress		Q1 rent stress	Q2 rent stress
Family					
Couple					
Single					
Homeless					

Remote: crowded non-market housing

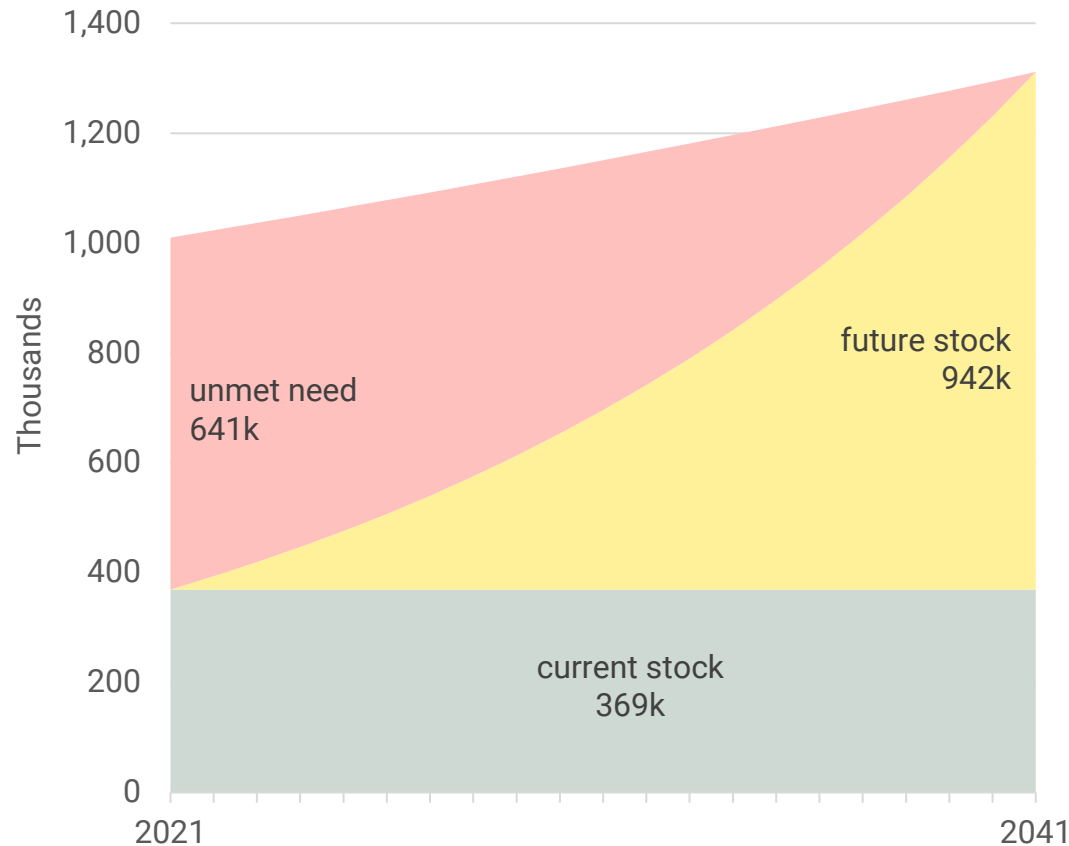
	All Australia		Northern Territory	
	Within Capitals	Outside Capitals	In Darwin	Outside Darwin
Q1 rent stress <small>family couple single</small>				
Q2 rent stress <small>family couple single</small>				
Homeless				

3. Unmet need is not a 'spike'



4. Unmet need can be met!

Adding the needed housing stock by 2041



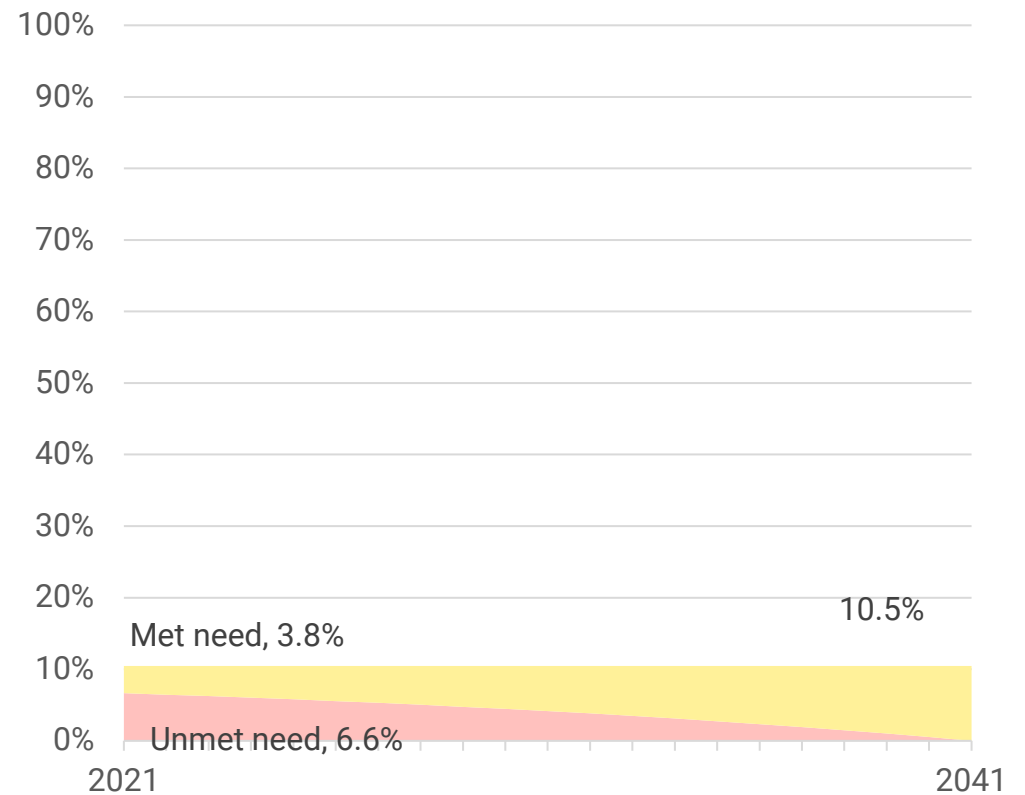
Annual growth (on existing social housing):

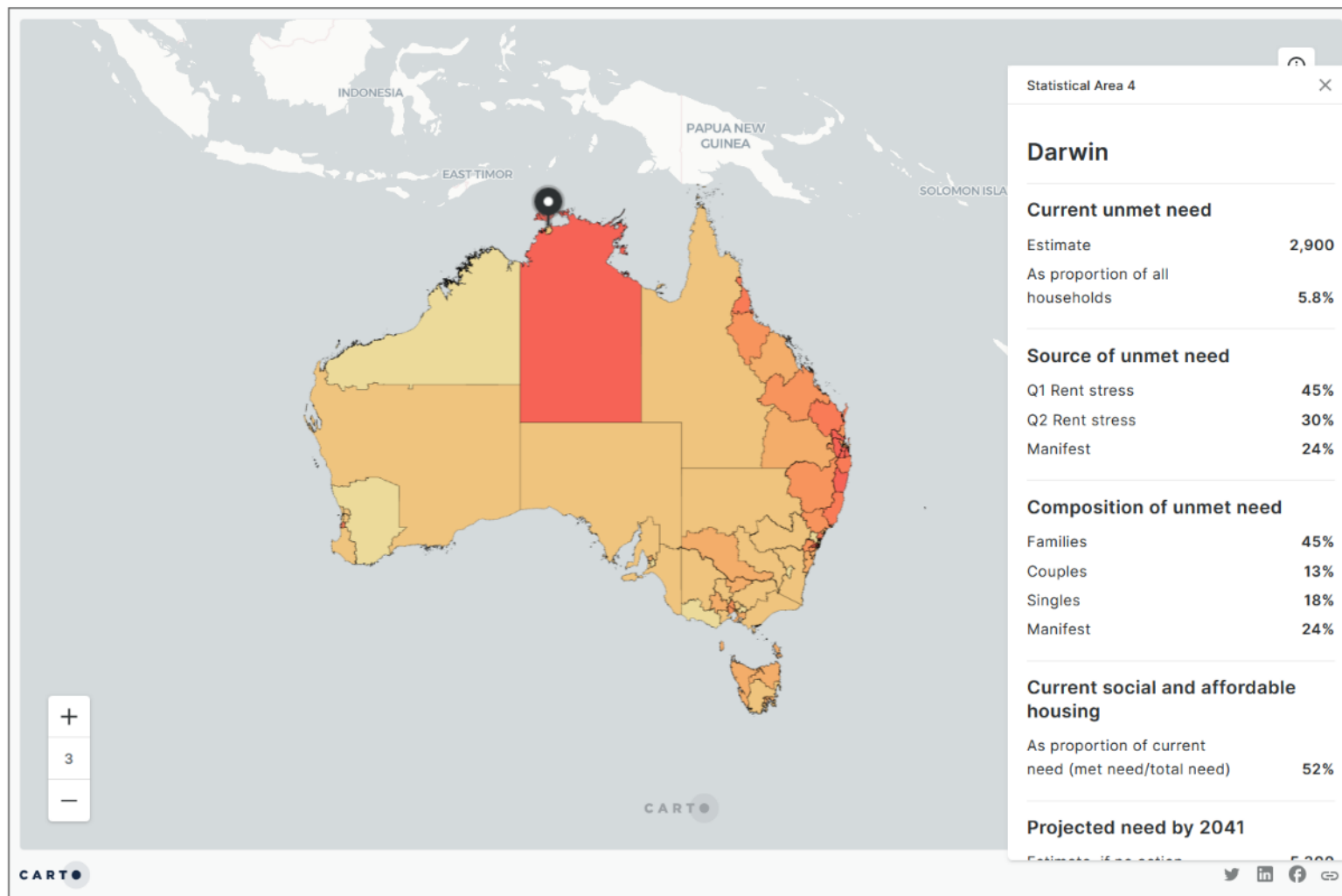
6.5%

(from 2.2% to 13.3%)

4. Unmet need can be met!

Impact of added housing stock on need to 2041





Statistical Area 4

Commonwealth Electoral Districts

State Electoral Districts

Local Government Areas

cityfutures.adg.unsw.edu.au/cityviz/housing-need-dashboard/

Value of a number!

What can the model be used for?



Value of a number!

Nationally consistent,
locally specific...

Six use cases

Value of a number!

Tailor national response

- HAFF needs based vs population based funding
- Variable impact of flat subsidies like CRA/NRAS

Value of a number!

Reveal latent need

- Compare with official waitlists
- Compare with other states & territories

Value of a number!

Distribute responsibility

- Local problem, local solution (local infrastructure?)
- Local council policies (inclusionary zoning?)

Value of a number!

Reflect market sensitivity

- Source of costs: land, materials, labour or finance
- Our actual use case!
(Watch this space...)

Value of a number!

Inform individual projects

- Bumping against limits of statistical data
- But can inform context and planning

Value of a number!

Influence public discourse

- Political interest: can explore electorates...
- Media interest: hundreds of hits!