

Homelessness & Empty Properties

#FairHousingAus Fact Sheet

How many people are homeless?

The 2011 Census estimated that there were 105,237 people who were homeless. Of these, 28,190 were in NSW and 22,789 were in Victoria. Some 25% of homeless people are Aboriginal and Torres Strait Islander, even though their population share is only 2.5%.¹ In terms of age, some 42% were aged less than 25, including some 17,845 children aged less than 12 years.

A question of supply?

A number of people have argued that the housing and homeless problem in Australia, including housing for those on the lowest incomes, is simply a matter of supply. Both Master Builders Australia and the Housing Industry Association gave submissions to this effect to the Senate Economic References Committee inquiry into Affordable Housing, which reported in May 2015.² However, others have argued that in areas where there have been unprecedented levels of housing growth this has been accompanied by worsening housing affordability.³

There is no doubt that Commonwealth and State Governments have not increased social housing supply for those on low incomes. Indeed, according to the Reform of the Federation White paper, "since 2004, the number of social housing dwellings per capita has declined in all States and Territories except Tasmania, although South Australia and the Australian Capital Territory continue to have the highest number of dwellings relative to their population".⁴ As a consequence, low income Australians are increasingly forced into the private rental market.

How many Empty properties?

As we know, taxation policies such as negative gearing and Capital Gains Tax have encouraged housing investment. But negative gearing has also encouraged many investment property owners to make losses on their properties. For some, this means not renting out their property at all but simply waiting for high capital gains when they sell. Analysis by the City Futures Research Centre at UNSW found that up to 90,000 properties in Sydney were empty at the time of the 2011 census.⁵

Similar research undertaken by Prosper Australia found that 82,724 properties appeared to be vacant across Melbourne in 2014.⁶ Whilst it is clear that many of these empty properties would not necessarily have ever been available for those on very low incomes, this does highlight how policy distortions can create artificially low vacancy rates in the private rental market which does serve to inflate rents and so lock out those on low incomes. The scale of these vacancies is such that even if 50% of them were due to holiday homes, the remainder could still have accommodated all those who were homeless in the two major capital cities.

¹ ABS Census of Population and Housing: Estimating Homelessness. 2011. 2049.0.

² Senate Economic References Committee. Out of reach? The housing affordability challenge. http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Affordable_housing_2013/Report

³ Mr Adam Mills, Senior Strategic Planning, City of Melbourne. Proof Committee Hansard, 9 September 2014, p. 29.

⁴ Reform of the Federation White paper. Issues Paper No. 2. Roles and Responsibilities in Housing and Homelessness. December 2014, p. 35.

⁵ <http://www.smh.com.au/nsw/thousands-of-empty-homes-adding-to-sydneys-housing-crisis-experts-say-20160323-gnnc52.html>

⁶ C. Cashmore. Speculative Vacancies 8. The empty properties ignored by statistics. Available at https://www.prosper.org.au/wp-content/uploads/2015/12/11Final_Speculative-Vacancies-2015-1.pdf.



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This message has been brought to you by St Kilda Community Housing, 102 St Kilda Road, St Kilda.

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