URBIS

PRODUCTIVITY COMMISSION HOUSING DATA REVIEW

Prepared for: Foundation Housing

June 2023

CONTENTS

KEY FINDINGS

PORTFOLIO SIZE

Across Australia there has been a decline in the amount of public housing. A key driver of this has been as a result of state policies focussing on growing the community housing sector. With the shift of reform moving toward community housing, almost every state except Queensland has seen its community housing portfolio grow by more than 5% with Tasmania, New South Wales and South Australia having their portfolios more than double. This can be attributed to the delivery of more dwellings from community housing providers and transfers from the State Government.

WA has seen a total increase of 1,495 dwellings (30% increase) in community housing dwellings over the course of 2013 and 2021 (excluding transfers), this compares to a fall of in the number of public housing dwellings (excluding transfers in WA of 1,765 over the same time frame.

WA sits generally in line with other major states in terms of the proportion of all dwellings that are public housing. In terms of community housing WA is slightly higher than Queensland and Victoria but due to the large volume of transfers is well behind New South Wales.

HOUSING TRANSFERS

Across Australia there has been a significant amount of public housing transferred to community housing organisations since FY 2017.

This transfer is in line with recommendation 7.3 in the Productivity Commission's Housing Assistance and Employment in Australia report of 2015 that recommends “State and Territory Governments to make the management of social housing properties more contestable through open commissioning processes.”

NSW transferred significantly far more than any other jurisdiction with 13,465 dwellings transferred since FY 2019 (12% of their FY 2018 dwelling stock). The other large transfer state has been SA which transferred 4,265 dwellings or 13% of stock.

WA has transferred a lower proportion of stock than any other state with only 212 dwellings transferred, accounting for 0.6% of FY 2018 public housing stock level.

HOUSEHOLD CHANGES

Decreases in the supply (partially due to property transfers) across the country have translated to less households in public housing naturally. In WA, the number of households in public housing has fallen only slightly at 6% (-1,881 households) in comparison to 11% across Australia.

Strong investment from community housing providers and a number of transfers by the government from state housing to community housing over the last nine years has translated to an increase of 37,000 households living in community housing across Australia. WA has experienced a 53% increase (2,624 households) in the number of households in community housing off the back of community housing providers delivering more dwellings over the last nine years.

HOUSEHOLD INCOME SPENT ON RENT

In Western Australia, eligibility for public housing is based on low income eligibility limits set by the Department of Communities, and rent is set at no more than 25% of the household's income. This means that the majority of tenants in social housing are paying 20-25% of their income as rent.

Community housing is available for low to moderate income households across Australia, with rent set at 25% of gross household income plus any Commonwealth Rental Assistance. In March 2020, income eligibility limits for social housing increased for the first time since 2006. The increase however may not be sufficient to reflect current household incomes in WA given wages have grown by 3.1% per annum on average since 2006. This is meaning that around 15% of people in community housing are paying more that 25% of their income in rent.

INCOME ELIGIBILITY LIMITS

Public housing income eligibility limits in Western Australia are tighter in comparison to other states. Given WA has similar income levels but tighter eligibility limits to these other states, there is a smaller proportion of single person households eligible for public housing in comparison.

Using single person households as an example, it is estimated that only 27% of single person households in Greater Perth qualify for public housing. Greater Brisbane (36%), Greater Melbourne (57%) and Greater Sydney (39%) all achieve a higher estimated proportions of eligible households given they have higher income eligibility limits. WA has higher income eligibility limits for affordable housing in comparison to that of public housing. As such, there is a higher estimated proportion of single person households in Greater Perth who qualify for affordable housing at 61%. Greater Sydney and Melbourne achieve similar proportions of households who qualify at 62% and 66% respectively.

GOVERNMENT EXPENDITURE

WA has seen expenditure per person on social housing decrease each year since 2016-17 from $326.56 to $220.94 in 2020-21. Expenditure levels from the WA State Government on community housing are lower in comparison to spending on public housing. Between 2013-14 and 2019-20, spending per rental tenancy has typically been between $10,000 and $11,000 with the exception of 2018-19 in which expenditure per unit grew to almost $11,800 per unit.

INTRODUCTION

STUDY BACKGROUND AND PURPOSE

Urbis was engaged by Foundation Housing to provide an analysis of social and community housing in WA based on the Productivity Commission housing data. This study afforded focus to:

- Reviewing the Productivity Commission housing data for social and community housing; and
- Analysing and comparing the relevant data for social and community housing.

STUDY APPROACH

This assessment included the following key tasks.

- A review of the Productivity Commission housing data; and
- Analysis of the relevant data for social and community housing.

SECTION ONE

DATA REVIEW

PORTFOLIO SIZES

Key Insights

Across Australia, public housing has typically declined over the last ten years. This has been primarily a result of state policies focusing on growing the community housing sector with a goal of progressing social housing reform. Some states such as New South Wales and South Australia have experienced more significant declines in public housing stock off the back of transfers of dwellings to the community housing sector.

The policy reforms across the country have seen almost every states community housing portfolio (with the exception of Queensland) grow by more than 5%. New South Wales, South Australia and Tasmania have seen their portfolios more than double. Across the country, there has been more delivery of dwellings from community housing providers and transfers of dwellings from State Governments which have resulted in these widespread increases.

Total Public Housing Dwellings across States, 2012 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Total % Change (2012 - 2021)	-14%	-1%	1%	-6%	-22%	-37%	-1%	-3%
2021	96,728	63,921	52,195	31,919	31,938	7,031	10,859	4,929
2020	96,939	64,072	51,890	32,409	32,147	7,050	10,985	4,911
2019	100,623	64,428	51,817	32,905	32,472	7,037	10,955	4,954
2018	111,341	64,295	51,413	33,293	32,686	7,005	11,181	5,017
2017	110,221	64,170	51,263	33,836	37,281	7,065	11,077	5,000
2016	110,174	64,241	51,188	33,533	37,852	7,166	10,917	4,970
2015	110,214	64,404	51,248	33,361	39,428	7,234	10,833	4,905
2014	110,805	64,471	51,368	33,467	39,422	8,413	10,848	5,009
2013	111,216	64,616	51,675	33,661	40,018	11,139	10,956	5,059
2012	112,310	64,768	51,793	33,896	40,906	11,203	10,950	5,080

Source: AIHW National Housing Assistance Data Repository, Productivity Commission

Total Community Housing Dwellings across States, 2012 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Total % Change (2012 - 2021)	109%	6%	0%	35%	120%	284%	38%	53%
2021	52,963	10,905	11,422	6,638	12,067	6,717	690	478
2020	49,312	10,728	11,049	6,899	11,830	6,457	523	464
2019	46,250	10,627	10,941	6,872	11,284	6,218	647	431
2018	34,743	10,341	11,104	6,961	11,271	6,056	677	374
2017	33,837	10,042	11,490	6,722	7,134	6,044	674	385
2016	32,647	9,902	11,737	6,282	7,173	6,156	563	373
2015	27,858	10,000	11,586	6,217	5,712	6,046	546	301
2014	26,254	9,980	11,660	6,018	5,702	4,720	527	338
2013	26,026	9,783	12,284	5,722	5,615	2,114	507	339
2012	25,311	10,256	11,441	4,931	5,493	1,749	500	312

Source: AIHW National Housing Assistance Data Repository, Productivity Commission

PORTFOLIO SIZES

Key Insights

Across the country in 2021, public housing made up between 2.4% and 5.8% of total dwellings across states. Community housing however make up lower proportions of total dwellings across the country at between 0.4% and 2.6% given there is less community housing supply. This is a reflection of the focus the government have had on delivering public housing historically.

Public and Community Housing as a Proportion of Total Dwellings, as at 2021

DWELLINGS	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Census Total Dwellings	3,364,802	2,810,815	2,195,595	1,150,416	808,379	259,318	187,153	96,564
Public Housing Total Dwellings	96,728	63,921	52,195	31,919	31,938	7,031	10,859	4,929
Proportion of Total State Dwellings	2.9%	2.3%	2.4%	2.8%	4.0%	2.7%	5.8%	5.1%
Community Housing Total Dwellings	52,963	10,905	11,422	6,638	12,067	6,717	690	478
Proportion of Total State Dwellings	1.6%	0.4%	0.5%	0.6%	1.5%	2.6%	0.4%	0.5%

Source: ABS Census 2021, AIHW National Housing Assistance Data Repository, Productivity Commission
** Total dwellings for the state are as at the 2021 ABS Census.*

PROPERTY TRANSFERS

Key Insights

In the last five years across Australia, there has been a significant number of property transfers from the state and territory governments to the community housing sector. Across the different states, transfers have been of ownership and / or management. The significant number of transfers are a reflection of state policy focus on growing the community housing sector with a goal of progressing social housing reform.

NSW has seen the greatest transfer of dwellings to the community housing sector with a total of 13,465 dwellings transferred between 2018-19 and 2020-21. In total between 2016-17 and 2020-21, more than $4.8 billion worth of dwellings have been transferred from public housing to the community housing sector. SA has also increased its community housing supply by transferring 4,265 dwellings (valued at a total of $1.2 billion) from the public sector to the community housing sector.

WA has seen limited property transfers to the community housing sector from the public sector in the last five years with only 212 dwellings transferred (valued at a total of $90 million). Any increases community housing supply in recent years in WA therefore have been provided predominantly by community housing providers.

Property Transferred from State and Territory Housing Authorities to Community Housing Organisations (2020-21 Dollars), 2016-17 – 2020-21

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
VALUE OF PROPERTY TRANSFERRED ($ MILLIONS)								
Total ($ Millions)	**$4,856.7**	**$441.8**	**$2.0**	**$90.1**	**$1,216.4**	**$67.8**	**$9.3**	**$9.1**
2020-21	$19.6	–	$1.1	–	$73.6	$2.5	na	–
2019-20	$1,595.3	–	$0.9	–	–	$15.0	na	–
2018-19	$3,100.2	$119.9	–	–	$3.3	$2.8	$2.2	$4.4
2017-18	$128.9	$97.5	–	$42.8	$1,139.5	$42.6	na	$1.1
2016-17	$12.7	$224.4	–	$47.3	–	$4.9	$7.1	$3.6
NUMBER OF DWELLINGS TRANSFERRED (NO. OF DWELLINGS)								
Total (Dwellings	**13,465**	**458**	**3**	**212**	**4,265**	**197**	**0**	**64**
% of FY 2018 Public Stock	**12.1%**	**0.7%**	**0.0%**	**0.6%**	**13.0%**	**2.8%**	**0.0%**	**1.3%**
2020-21	47	–	2	–	250	24	na	–
2019-20	4,549	–	1	–	–	103	na	–
2018-19	8,869	458	na	–	12	70	–	39
2017-18	na	na	na	90	4,003	na	na	3
2016-17	na	na	na	122	–	na	na	22

Source: ABS, Productivity Commission, State and Territory Governments (unpublished)

** Years denoted as 'na' refers to where data is not available and years denoted as '–' refers to where the number or amount is Nil or rounded to zero.*

PUBLIC AND COMMUNITY HOUSING SUPPLY (EXCLUDING TRANSFERS)

Key Insights

Public housing supply across the country has been declining over the last nine years. With the exception of Queensland, all states across the country have recorded decreasing numbers in public housing dwellings excluding dwelling transfer from state and territory governments to community housing providers. Over the last nine years in WA, there has been a net decrease of 1,765 in public housing dwellings excluding transfers to community housing. This is representative of a 5% decrease.

Community housing supply delivered by community housing providers (excluding transfers) has increased across the country. NSW has seen the greatest increase in community housing dwellings (excluding transfers from the state government), with a net increase of 14,200 dwellings (109% increase) between 2013 and 2021. WA has seen a total increase of 1,495 dwellings (30% increase) in community housing dwellings over the course of 2013 and 2021. The majority of this supply occurred between 2013 and 2018.

WA’s estimated resident population has increased by 263,000 between 2013 and 2021. This increased population has been a key driver for the increased need for community and affordable housing.

Public Housing Dwellings (Excluding Transfers), 2013 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2021	110,193	64,379	52,198	32,131	36,203	7,228	10,859	4,993
2020	110,357	64,530	51,891	32,621	36,162	7,223	10,985	4,975
2019	109,492	64,886	51,817	33,117	36,487	7,107	10,955	5,018
2018	111,341	64,295	51,413	33,505	36,689	7,005	11,181	5,042
2017	110,221	64,170	51,263	33,958	37,281	7,065	11,077	5,022
2016	110,174	64,241	51,188	33,533	37,852	7,166	10,917	4,970
2015	110,214	64,404	51,248	33,361	39,428	7,234	10,833	4,905
2014	110,805	64,471	51,368	33,467	39,422	8,413	10,848	5,009
2013	111,216	64,616	51,675	33,661	40,018	11,139	10,956	5,059
2012	112,310	64,768	51,793	33,896	40,906	11,203	10,950	5,080

Source: ABS, Australian Institute of Health and Welfare (AIHW) National Housing Assistance Data Repository (unpublished), State and Territory Governments (unpublished)

** Dwelling transfers to community housing between 2016 and 2021 have been removed from this analysis. This provides the real net change in public housing supply from the government and showcases housing delivered by the government.*

Net Change in Community Housing Dwellings (Excluding Transfers), 2013 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2021	39,498	10,447	11,419	6,426	7,802	6,520	690	414
2020	35,894	10,270	11,048	6,687	7,815	6,284	523	400
2019	37,381	10,169	10,941	6,660	7,269	6,148	647	367
2018	34,743	10,341	11,104	6,749	7,268	6,056	677	349
2017	33,837	10,042	11,490	6,600	7,134	6,044	674	363
2016	32,647	9,902	11,737	6,282	7,173	6,156	563	373
2015	27,858	10,000	11,586	6,217	5,712	6,046	546	301
2014	26,254	9,980	11,660	6,018	5,702	4,720	527	338
2013	26,026	9,783	12,284	5,722	5,615	2,114	507	339
2012	25,311	10,256	11,441	4,931	5,493	1,749	500	312

Source: ABS, Australian Institute of Health and Welfare (AIHW) National Housing Assistance Data Repository (unpublished), State and Territory Governments (unpublished)

** Dwelling transfers to community housing from the government between 2016 and 2021 have been removed from this analysis. This provides the real net change in community housing supply and showcases community housing delivered by community housing providers.*

HOUSEHOLDS IN PUBLIC AND COMMUNITY HOUSING

Key Insights

Whilst the Productivity Commission note that this data may not comparable across jurisdictions given differences in methodologies and policies, it is worth highlighting the total changes in the number of households in public and community housing across the country.

Given that public housing supply decreased in Australia between 2012 and 2021, the number of households in public housing also decreased. In comparison to Australia, the number of households in public housing in WA has fallen only slightly at 6% (-1,881 households) in comparison to 11% across Australia.

Strong investment from community housing providers and a number of transfers by the government from state housing to community housing over the last nine years has translated to an increase of 37,000 households living in community housing across Australia. New South Wales and South Australia have seen strong increases however the increases in these states are primarily associated with a substantial number of transfers of public housing dwellings to the community sector.

WA has experienced a 53% increase (2,624 households) in the number of households in community housing. This increase can be attributed to community housing providers delivering more dwellings over the last nine years. The State Government have only transferred 212 dwellings to the community housing sector since 2016.

Net Change in Number of Households in Public Housing by State, 2012 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUSTRALIA
Total Net Change Between 2012 - 2021	**-17,956**	**-1,778**	**186**	**-1,881**	**-9,120**	**-3,998**	**-372**	**-159**	**-35,078**
2021	24	-576	378	-530	-357	-57	-189	39	-1,268
2020	-3,588	-519	127	-158	-427	30	81	10	-4,444
2019	-10,200	-151	546	-490	-134	75	-92	-29	-10,475
2018	-1,230	-435	149	-187	-4,170	-24	-40	-14	-5,951
2017	-512	-313	-33	-99	-714	-158	55	38	-1,736
2016	-95	-130	-278	-394	-1,820	-71	-5	49	-2,744
2015	-638	77	-199	287	-242	-1,141	-116	-73	-2,045
2014	-704	196	-368	67	-746	-2,569	-11	-70	-4,205
2013	-1,013	73	-136	-377	-510	-83	-55	-109	-2,210

Source: AIHW National Housing Assistance Data Repository (unpublished), Productivity Commission

Net Change in Number of Households in Community Housing by State, 2012 – 2021

YEAR	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUSTRALIA
Total Net Change Between 2012 - 2021	**21,692**	**2,095**	**-666**	**2,624**	**6,287**	**5,177**	**241**	**0**	**37,138**
2021	2,059	75	48	149	178	17	25	na	2,551
2020	5,856	-113	-242	25	545	249	6	na	6,326
2019	8,217	708	-130	-96	33	643	-2	na	9,373
2018	1,616	-346	-841	272	3,977	-52	-27	na	4,599
2017	2,891	-45	296	261	-12	65	140	na	3,596
2016	677	365	-47	527	1,505	-220	60	na	2,867
2015	1,415	10	-158	-119	-108	1,379	44	na	2,463
2014	-1,168	-158	-207	525	113	2,322	-12	na	1,076
2013	129	1,599	615	1,080	56	774	7	na	4,287

Source: AIHW National Housing Assistance Data Repository (unpublished), Productivity Commission

PROPORTION OF GROSS HOUSEHOLD INCOME SPENT ON RENT

Key Insights

Given different methodologies for calculating rent, data regarding the proportion of a households expenditure on rent for public housing and community housing is not directly comparable.

Households are determined eligible for public housing in WA based on low income eligibility limits sets by the Department of Communities. Furthermore they spend no more than 25% of their income on rent based on public housing policy set by the Department of Communities. Community housing is however accessible for low to moderate income households across Australia with rent determined based on 25% of gross household income plus any Commonwealth Rental Assistance that household gets.

In March 2020, income eligibility limits for social housing increased for the first time since 2006 by $20 per week for single income households and $40 per week for dual income households (for the current income eligibility criteria see Appendix 2). Given that the wage price index (WPI) has grown on average of 3.1% p.a since 2006 in WA (see Appendix 4), these income eligibility limits may not be a true reflection of income eligibility limits that are justified for current household incomes in WA. Community housings ability to provide affordable rent for low to moderate income households based on a households current income creates a larger target market and may be more suitable for more households across WA.

Proportion of Households by Expenditure on Rent – Low Income Households in Public Housing, Western Australia, 2017 - 2021

YEAR	LESS THAN 20% SPENT ON RENT	BETWEEN 20 - 25% SPENT ON RENT	BETWEEN 25 - 30% SPENT ON RENT	MORE THAN 30% SPENT ON RENT
2021	4.5%	94.6%	–	0.9%
2020	2.2%	97.1%	0.3%	0.5%
2019	4.5%	94.4%	0.1%	1.0%
2018	5.8%	92.4%	0.7%	1.1%
2017	7.6%	91.9%	0.1%	0.4%

Source: AIHW National Housing Assistance Data Repository, Productivity Commission
** Low income households are those in the bottom 40 per cent of equivalised gross household income. The low income cut-off is derived by the ABS from its biennial Survey of Income and Housing (SIH) data and provided to the AIHW.*
*** The Productivity Commission acknowledge that households in Public Housing only pay 25% of their assessable household income. Households falling into higher-paying categories are a result of tenants not providing updated rent and/or income details, or nominal rent being charged for households with zero income at the time of allocation.*

Proportion of Households by Expenditure on Rent – Low Income Households in Community Housing, Western Australia, 2017 – 2021

YEAR	LESS THAN 20% SPENT ON RENT	BETWEEN 20 - 25% SPENT ON RENT	BETWEEN 25 - 30% SPENT ON RENT	MORE THAN 30% SPENT ON RENT
2021	28.8%	55.1%	11.4%	4.7%
2020	28.1%	55.2%	12.9%	3.8%
2019	21.4%	60.4%	14.5%	3.7%
2018	18.2%	62.8%	14.1%	4.9%
2017	15.4%	65.0%	14.9%	4.8%

Source: AIHW National Housing Assistance Data Repository, Productivity Commission
** Low income households are those in the bottom 40 per cent of equivalised gross household income. The low income cut-off is derived by the ABS from its biennial Survey of Income and Housing (SIH) data and provided to the AIHW.*
*** The Productivity Commission acknowledge that Commonwealth Rental Assistance amounts should be excluded from rent charged and household income data however it is evident that some community housing organisations may have included CRA as part of rent and income in their survey returns, which can affect the comparability of the results. This may result in a higher proportion of households that appear to be paying more than 30 per cent of their income in rent.*

INCOME ELIGIBILITY COMPARISON FOR PUBLIC HOUSING

Key Insights

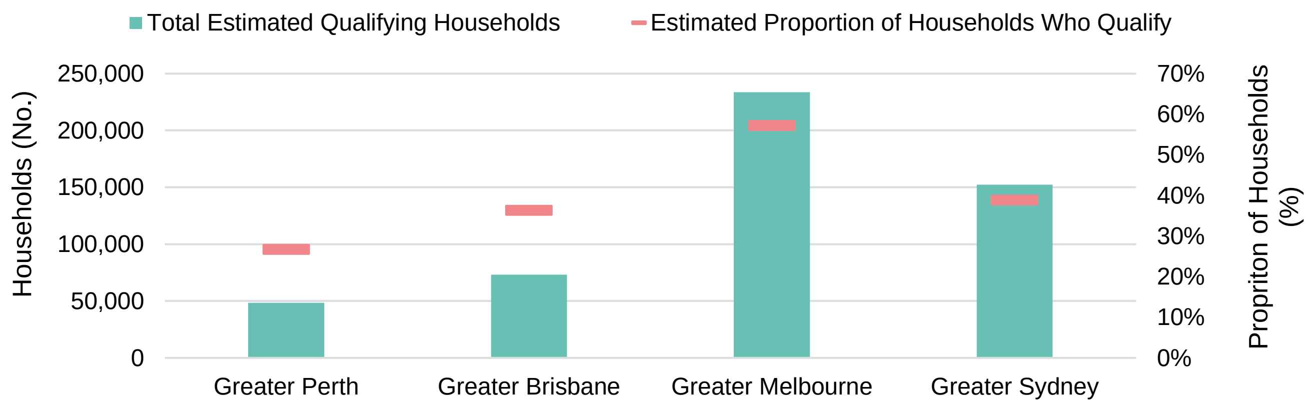
Income eligibility limits for public housing differ in each state and are measured with regards to different household types in different ways. Single person households, however, is a consistent household type identified within each state's income eligibility limits and has as such formed the basis of this analysis.

In comparison to other states' Greater Capital City areas, income eligibility limits for single person households are low in Greater Perth ($486 per week). Greater Brisbane, Greater Sydney and Greater Melbourne single person households are all subject to higher income eligibility limits than the single person households of Greater Perth. Incomes across single person households in these Greater Capital Cities do not differ too significantly from Greater Perth and are comparable (see appendix 3).

Comparable income levels but tighter income eligibility limits have resulted in a lower proportion of single person households in Greater Perth being eligible for public housing in comparison to other Greater Capital City areas. It is estimated that only 27% of single person households in Greater Perth qualify for public housing whilst Greater Brisbane (36%), Greater Melbourne (57%) and Greater Sydney (39%) achieve a higher estimated proportion of eligible households.

Single Person Households Potentially Eligible for Public Housing based on Income, as at ABS Census 2021

METRIC	GREATER PERTH	GREATER BRISBANE	GREATER MELBOURNE	GREATER SYDNEY
Median Weekly Household Income	$1,865	$1,849	$1,901	$2,077
Median Annual Household Income	$96,980	$96,148	$98,852	$108,004
Total Single Person Weekly Income Eligibility Limit	$486	$609	$1,107	$690
Total Single Person Annual Income Eligibility Limit	$25,272	$31,668	$57,564	$35,880
Qualifying Households*	22,355	55,787	215,788	145,259
Estimated Proportion of Households in Partial Income Bracket who may Qualify**	86%	73%	43%	27%
Estimated Partial Income Bracket Households who Qualify	26,159	17,489	17,702	7,126
Total Estimated Qualifying Households	48,514	73,276	233,490	152,385
Estimated Proportion of Households Who Qualify	26.7%	36.3%	57.2%	38.9%



Source: ABS, Department of Communities (WA), Housing Victoria, Queensland Government, NSW Government – Communities and Justice
**Qualifying Bracket: Reflective of the number of households by household type who qualify for social housing based on income in each state.*
***Partial Income Bracket: Partially, some households under this income bracket may qualify for social housing in each state. However, there may be some households who do not.*
**** See Appendix 3 Page for calculations for the above analysis*

INCOME ELIGIBILITY COMPARISON FOR COMMUNITY HOUSING

Key Insights

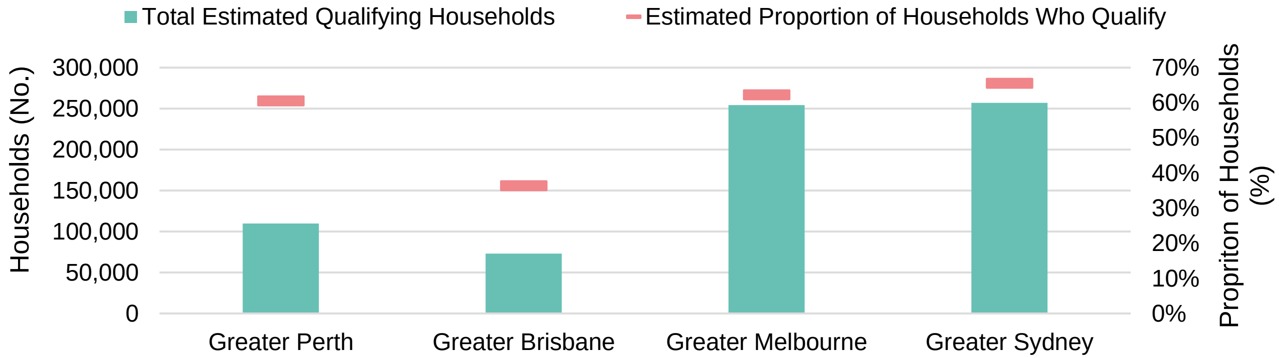
Income eligibility limits for affordable and community housing differ in each state and are measured with regards to different household types in different ways. Single person households, however, is a consistent household type identified within each state's income eligibility limits and has as such formed the basis of this analysis.

Single person household income eligibility limits for affordable housing in Greater Perth ($1,129) are more comparable to Greater Sydney ($1,377) and Greater Melbourne ($1,231) in comparison to the public housing income eligibility limits. Given the higher income eligibility limits for affordable housing in comparison to that of public housing, there is a higher estimated proportion of single person households in Greater Perth who qualify for affordable housing at 61%. Greater Melbourne and Greater Sydney have similar estimated levels of qualifying households at 62% and 66% respectively.

Greater Brisbane's income eligibility limits are the same for affordable and public housing, which has subsequently resulted in a lower proportion of qualifying households for affordable housing in the area.

Single Person Households Potentially Eligible for Affordable Housing based on Income, as at ABS Census 2021

METRIC	GREATER PERTH	GREATER BRISBANE	GREATER MELBOURNE	GREATER SYDNEY
Median Weekly Household Income	$1,865	$1,849	$1,901	$2,077
Median Annual Household Income	$96,980	$96,148	$98,852	$108,004
Total Single Person Weekly Income Eligibility Limit	$1,129	$609	$1,231	$1,377
Total Single Person Annual Income Eligibility Limit	$58,708	$31,668	$64,020	$71,600
Qualifying Households*	100,701	55,787	215,788	241,760
Estimated Proportion of Households in Partial Income Bracket who may Qualify**	52%	73%	92%	51%
Estimated Partial Income Bracket Households who Qualify	9,233	17,489	38,242	15,128
Total Estimated Qualifying Households	109,934	73,276	254,030	256,888
Estimated Proportion of Households Who Qualify	60.5%	36.3%	62.3%	65.5%



Source: ABS, Department of Communities (WA), Housing Victoria, Queensland Government, NSW Government – Communities and Justice
**Qualifying Bracket: Reflective of the number of households by household type who qualify for social housing based on income in each state.*
***Partial Income Bracket: Partially, some households under this income bracket may qualify for social housing in each state. However, there may be some households who do not.*
**** See Appendix 3 for calculations for the above analysis*

EXPENDITURE COMPARISON

Key Insights

Expenditure per person on social housing varies for each state. WA has seen expenditure per person decrease each year since 2016-17 from $326.56 to $220.94 in 2020-21. This represents a total decrease of 32%. Whilst expenditure per person has declined in WA each since 2016-17, WA still has a higher spend per person than Queensland, New South Wales and Victoria. This however can be attributed to the State Government's of these states having higher total expenditure on social housing in comparison to WA. States with lower total expenditure on social housing such as South Australia, Tasmania, the ACT and Northern Territory have a higher total spend per person given limited expenditure in conjunction with smaller populations in comparison to WA.

State and Territory Government Expenditure on Social Housing, 2020-21 dollars

		UNIT	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUST
2020-21											
	Net recurrent expenditure										
	Public housing	$m	973.2	609.8	454.8	467.2	333.8	58.6	135.7	91.7	3 124.8
	State owned and managed Indigenous housing	$m	47.5	..	39.6	..	14.2	1.4	..	85.0	187.7
	All social housing	$m	1 412.8	893.1	630.7	590.0	438.4	168.6	141.7	214.3	4 489.6
	Capital expenditure	$m	567.1	647.3	320.7	55.3	138.1	76.4	21.2	234.5	2 060.6
	Total	$m	1 979.9	1 540.4	951.4	645.3	576.5	245.0	162.8	448.7	6 550.1
2020-21	per person in the population	$	172.88	134.06	121.40	220.94	247.57	311.42	328.36	869.09	174.73
2019-20	per person in the population	$	163.71	102.85	134.44	248.34	288.02	277.30	341.95	730.42	170.07
2018-19	per person in the population	$	169.70	94.97	138.02	248.36	193.16	209.15	336.34	825.96	163.75
2017-18	per person in the population	$	183.06	87.58	133.72	286.57	197.81	272.08	325.99	779.93	170.58
2016-17	per person in the population	$	178.68	91.54	126.43	326.56	265.25	159.80	309.98	408.02	171.63

Source: ABS, Productivity Commission, State and Territory Governments (unpublished)

** Grants and subsidies are excluded from public housing and SOMIH expenditure data but are included in data for recurrent and capital expenditure on social housing*

*** All social housing includes expenditure on public housing, SOMIH, community housing, Indigenous community housing, transitional housing and grants to community housing under the National Building and Economic Stimulus Plan - Social Housing Initiative package. Expenditure for SHS agencies, other homelessness services and home purchase assistance is excluded.*

**** Time series financial data are adjusted to 2020-21 dollars (i.e. 2020-21=100) using the General Government Final Consumption Expenditure (GGFCE) chain price deflator (table 2A.26).*

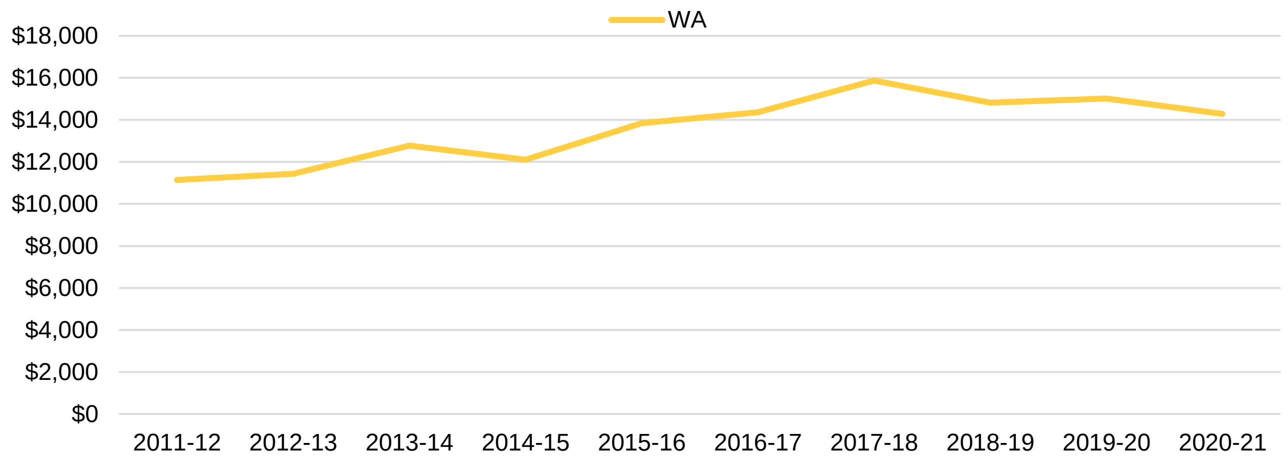
GOVERNMENT RECURRENT EXPENDITURE PER TENANCY

Key Insights

Whilst the Productivity Commission note that this data is not comparable across jurisdictions given differences in methodologies and policies, it is worth highlighting that State Government's across the country put significant investment into the public and community housing sectors.

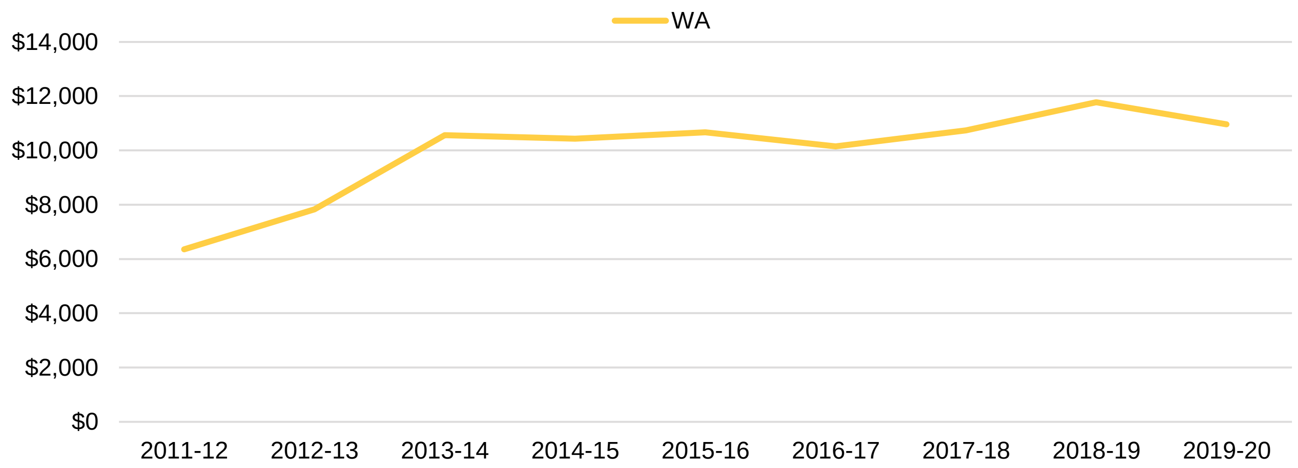
Since 2016, spending per tenancy by the WA Government has fluctuated between $14,250 and $15,900. Expenditure levels from the WA State Government on community housing are lower in comparison to that of its spending on public housing. Between 2013-14 and 2019-20, spending per rental tenancy has typically been between $10,000 and $11,000 with the exception of 2018-19 in which expenditure per unit grew to almost $11,800 per unit.

Government Recurrent Expenditure per Tenancy in Public Housing Rental Unit (2020-21 Dollars), 2011-12 – 2020-21



Source: AIHW, ABS, Productivity Commission

Government Recurrent Expenditure per Tenancy in Community Housing Rental Unit (2020-21 Dollars), 2011-12 – 2019-20



Source: AIHW, ABS, Productivity Commission

Note 2020-21 data are not available as financial data for community housing lags activity and descriptive data*

SECTION TWO

SUPPORTING APPENDICES

DEFINITIONS

The social housing system covers the allocation of tenants to properties, the ownership and management of properties, and the provision of financial assistance to tenants. Social housing includes both:

- Public housing — properties managed by State and Territory Government housing authorities, such as Housing SA or Housing NSW
- Community housing — properties managed and, in some cases owned, by a non government provider.

Source: Productivity Commission

APPENDIX 1 – POPULATION GROWTH

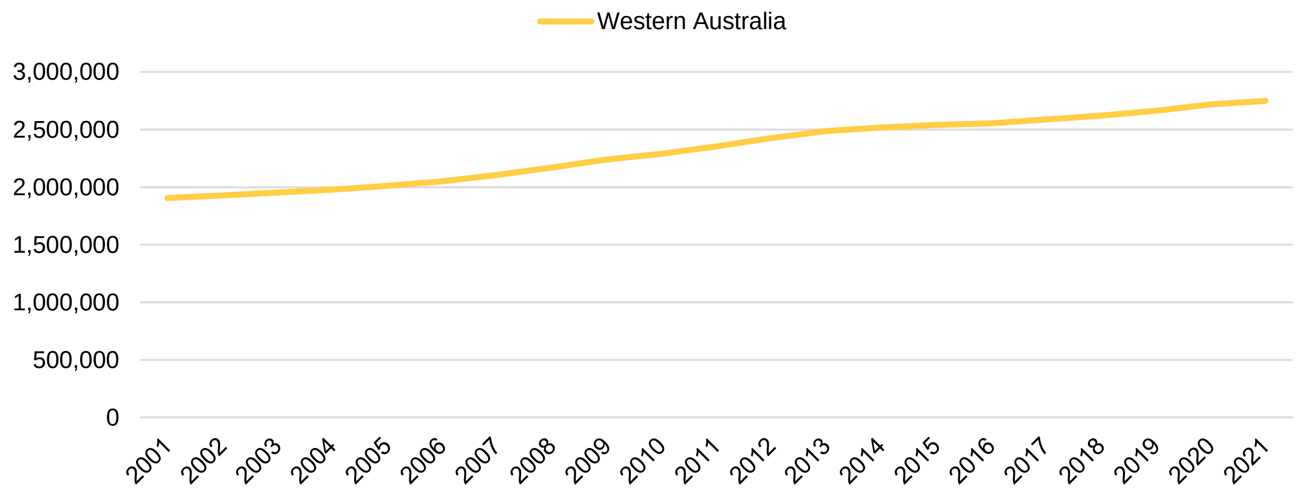
APPENDIX 1: POPULATION GROWTH

Key Insights

The ABS Estimated Resident Population for WA between 2001 and 2021 is depicted to the right.

On average over the last 20 years, WA's population has grown at a rate of 1.8% per annum.

Estimated Resident Population, Western Australia, 2001 – 2021



Source: ABS

APPENDIX 2 – INCOME ELIGIBILITY LIMITS

APPENDIX 2: INCOME ELIGIBILITY LIMITS – WA

Key Insights

To be eligible for public rental housing or affordable housing in Western Australia, the combined gross weekly assessable income of the applicant, partner or co-applicant must not exceed the limits set by the Department of Communities. Other household member's income is not assessed for eligibility purposes.

Public Housing (Band A) Income Eligibility Limits, Western Australia

					FOR PEOPLE WITH A DISABILITY			
NUMBER OF PEOPLE IN HOUSEHOLD	METRO AND COUNTRY		NORTH WEST/ REMOTE AREAS		METRO AND COUNTRY		NORTH WEST/ REMOTE AREAS	
	Single income	Dual income	Single income	Dual income	Single income	Dual income	Single income	Dual income
1 person	$486	–	$681	–	$608	–	$852	–
2 people	$636	$735	$891	$1,030	$795	$920	$1,113	$1,290
3 people	$751	$855	$1,052	$1,200	$939	$1,070	$1,315	$1,500
4 people	$871	$995	$1,220	$1,395	$1,089	$1,245	$1,525	$1,745

Source: Department of Communities
** For households with more than four people, add $115 for each additional person. For households with more than four people and at least one person with a disability add $145 for each additional person.*

Affordable Housing (Band B) Income Eligibility Limits, Western Australia

NUMBER OF PEOPLE IN HOUSEHOLD	METRO AND COUNTRY		NORTH WEST/ REMOTE AREAS	
	Household Income Limit	Disability Household Income Limit	Household Income Limit	Disability Household Income Limit
Single Person	$1,129	$1,411	$1,411	$1,764
Two Adults / Couple	$1,561	$1,951	$1,951	$2,439
Single Parent / 1 Child	$1,562	$1,953	$1,953	$2,441
Single Parent / 2 Children	$1,937	$2,421	$2,421	$3,026
Couple Family / 1 Child	$1,936	$2,420	$2,420	$3,025
Couple Family / 2 Children	$2,310	$2,888	$2,888	$3,610
Each additional adult	$432	$540	$540	$675
Each additional child	$375	$468	$468	$585

Source: Department of Communities

APPENDIX 2: INCOME ELIGIBILITY LIMITS – VICTORIA

Key Insights

To be eligible for public rental housing or affordable housing in Victoria, the combined gross weekly assessable income of the applicant, partner or co-applicant must not exceed the limits set by Housing Victoria and Homes Victoria (both state government agencies).

There are two forms of public housing available in Victoria; register of interest housing and priority access housing. Register of Interest Housing is for all eligible applicants to register their interest IN social housing. Priority access housing however is available exclusively to people:

- Who are homeless and receiving support;
- Who are escaping or have escaped family violence;
- With a disability or significant support needs; or
- With special housing needs.

To be eligible for the Affordable Housing Rental Scheme in Victoria, the following requirements need to be met:

- The household's income needs to fall under the income eligibility limits;
- The applicant is an Australian citizen or permanent resident;
- The household lives in Victoria; and
- Does not own a residential or commercial property.

Public Housing Income Eligibility Limits, Victoria

INCOME AND ASSET LIMITS FOR REGISTER OF INTEREST HOUSING (APPLICATION)

HOUSEHOLD TYPE	NEW WEEKLY LIMIT
Single Person	$1,107
Couple (no dependants)	$1,693
Family (one or two parents with up to 2 dependent children)	$2,284
Each additional dependant	$370

Source: Housing Victoria

INCOME AND ASSET LIMITS FOR PRIORITY ACCESS HOUSING

HOUSEHOLD TYPE	NEW WEEKLY LIMIT
Single Person	$619
Couple (no dependants)	$1,070
Family (one or two parents with one dependent child)	$1,109
Each additional dependent	$39

Affordable Housing Income Eligibility Limits, Victoria

REGION	SINGLE	COUPLE	FAMILY GROUP
Melbourne	Up to $64,020	Up to $96,030	Up to $134,450
Regional Victoria	Up to $46,660	Up to $69,990	Up to $97,980

Source: Homes Victoria

APPENDIX 2: INCOME ELIGIBILITY LIMITS – NSW

Key Insights

To be eligible for public rental housing or affordable housing in NSW, the combined gross weekly assessable household income of the household must not exceed the limits set by the NSW Government.

Affordable housing is available to residents in NSW based on income bands. These income bands are based on proportions of median household income. These are as follows:

- Very Low: 50% median
- Low: 50%-80% median
- Moderate: 80%-120%

Social Housing Income Eligibility Limits, New South Wales

HOUSEHOLD MEMBERS	GROSS WEEKLY INCOME
Single adult	$690
Each additional adult	Add $260 to the income limit
First child	Add $340
Each additional child	Add $115

Source: NSW Government - Communities and Justice

Affordable Housing Income Eligibility Limits, New South Wales

HOUSEHOLD MEMBERS	GROSS ANNUAL HOUSEHOLD INCOME		
	VERY LOW	LOW	MODERATE
SYDNEY			
Single adult	$29,800	$47,700	$71,600
Each additional adult (18 years or over)	Add $14,900 to the income limit	Add $23,900 to the income limit	Add $35,800 to the income limit
Each additional child (under 18 years)	Add $8,900	Add $14,300	Add $21,500
NEW SOUTH WALES			
Single adult	$26,500	$42,400	$63,600
Each additional adult (18 years or over)	Add $13,300 to the income limit	Add $21,200 to the income limit	Add $31,800 to the income limit
Each additional child (under 18 years)	Add $8,000	Add $12,700	Add $19,100

Source: NSW Government - Communities and Justice

APPENDIX 2: INCOME ELIGIBILITY LIMITS – QUEENSLAND

Key Insights

To be eligible for public rental housing or affordable housing in Queensland, the weekly assessable income of the household must not exceed the limits set by the Queensland Government. In Queensland, the same income band applies to both public and affordable housing. To be eligible for public and community housing in Queensland, you must:

- Be a resident of Queensland;
- Be an Australian citizen or have permanent residency in Australia;
- Not own or part-own any type of property in Australia or overseas;
- Meet the assets limit for the relevant household type;
- Be experiencing certain wellbeing factors as a result of your current housing situation;
- Be earning within the housing income eligibility limits for the relevant household type; and
- Have an independent income so you can pay rent and financially manage a tenancy.

Public and Affordable Housing Income Eligibility Limits, Queensland

HOUSEHOLD TYPE	WEEKLY INCOME LIMIT
Single Person, no children	$609
Single person, one child Couple, no children Two single people	$755
Single person, two children Couple with one child Couple and 1 single person Two single people and one child Three single people	$877
Single person, three or more children Couple with two children Three single people and one child Two single people with two children Four single people	$999
Couple with three or more children Five single people One couple with two children and one single person Two couples with one or more children One couple, one single person and two or more children Other households with five or more people including two adults	$1,121

Source: Queensland Government

APPENDIX 3 – HOUSEHOLD INCOMES

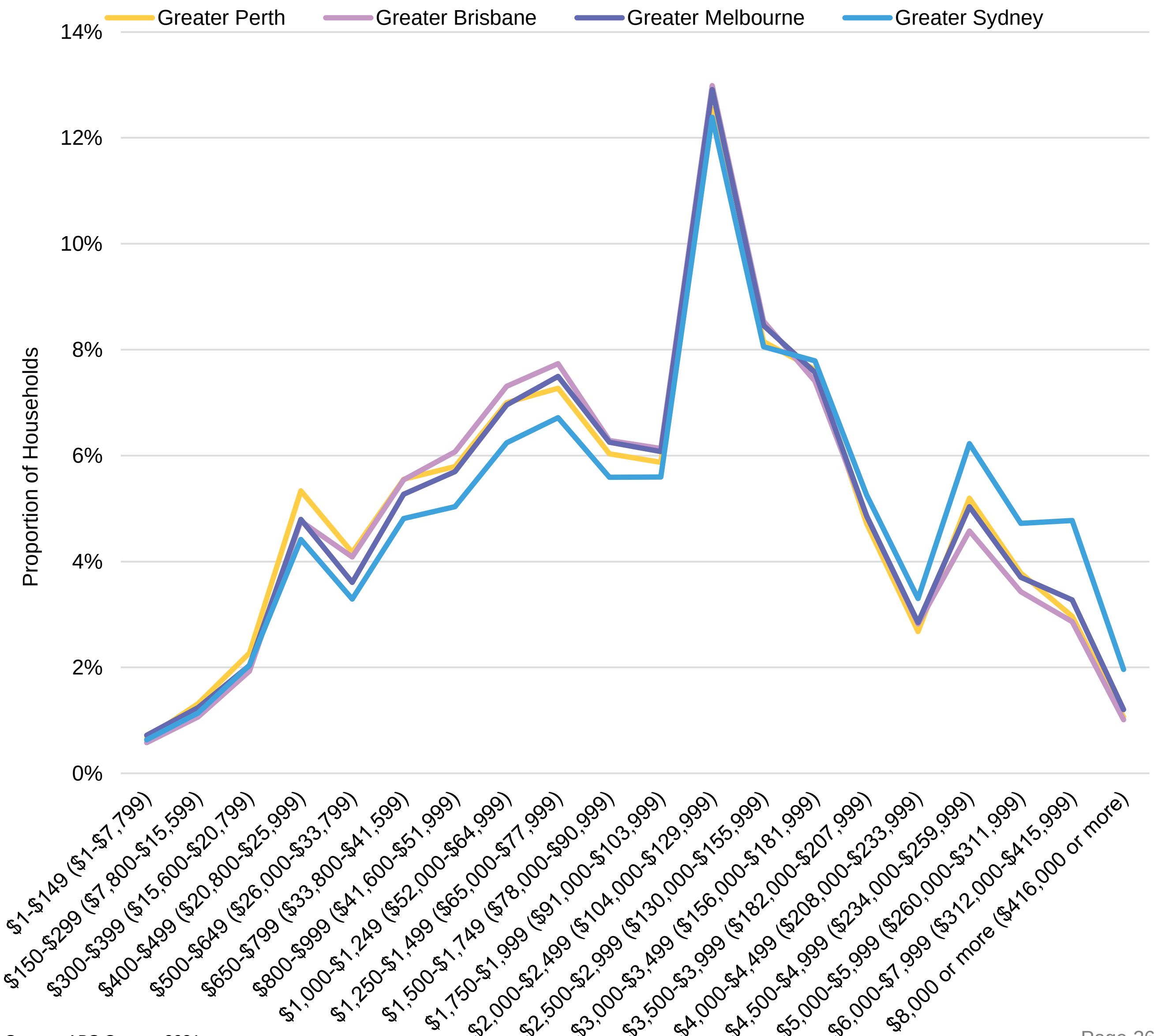
APPENDIX 3: HOUSEHOLD INCOMES

Key Insights

The proportion of households within each income brackets across four Greater Capital City areas have been depicted to the right.

This has helped inform analysis surrounding income eligibility limits across states and highlights that incomes in Greater Perth are comparable across other Greater Capital City Areas. It also depicts a higher proportion of households in Greater Perth in the lower income brackets.

Household Incomes, Greater Capital Cities, as at ABS Census 2021



Source: ABS Census 2021

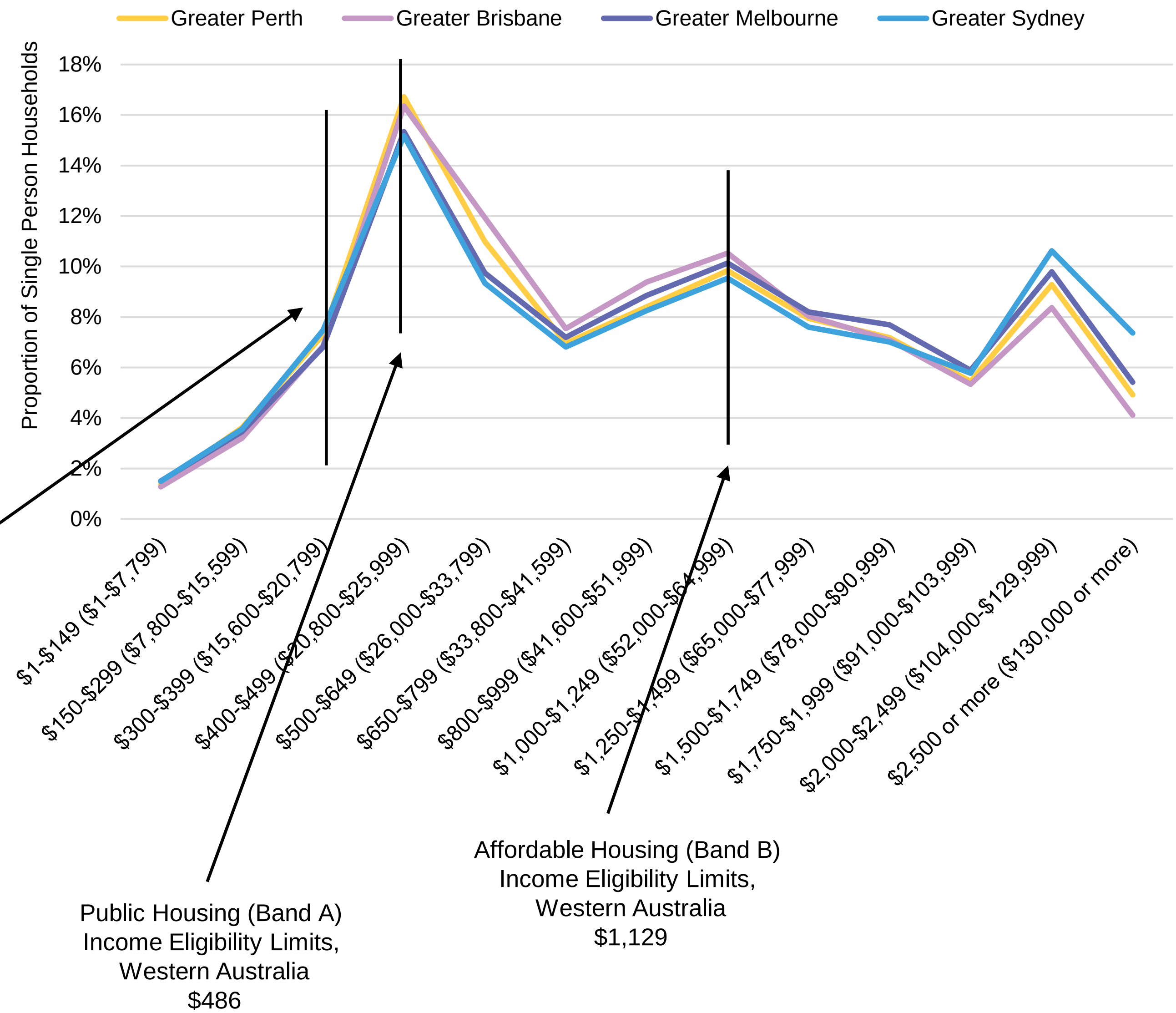
APPENDIX 3: LONE PERSON HOUSEHOLD INCOMES

Key Insights

The proportion of single person households by income brackets across four Greater Capital City areas have been depicted to the right.

This has helped inform analysis surrounding income eligibility limits across states given it is a consistent household type identified within each states income eligibility limits.

Lone Person Household Incomes, Greater Capital Cities, as at ABS Census 2021



Social Security Payments
Single person (no children) <60
jobseeker payment $346

Single person (no children) >=60
benefits payment $372

Source: ABS Census 2021

APPENDIX 3: LONE PERSON HOUSEHOLD INCOMES AND PUBLIC HOUSING

Key Insights

Single person households by income brackets across four Greater Capital City areas have been depicted to the right.

This has informed comparative analysis of income eligibility limits across states given it is a consistent household type identified within each state's income eligibility limits.

Lone Person Households Who Qualify for Public Housing, Greater Capital Cities, as at ABS Census 2021

HIND TOTAL HOUSEHOLD INCOME	GREATER PERTH	GREATER BRISBANE	GREATER MELBOURNE	GREATER SYDNEY
Single Person Income Eligibility Limit (Annual)	$25,272	$31,668	$57,564	$35,880
$1-$149 ($1-$7,799)	2,517	2,560	6,129	5,837
$150-$299 ($7,800-$15,599)	6,578	6,457	14,095	13,954
$300-$399 ($15,600-$20,799)	13,260	13,804	27,741	29,311
$400-$499 ($20,800-$25,999)	30,412	32,966	62,611	59,538
$500-$649 ($26,000-$33,799)	19,978	24,065	39,735	36,619
$650-$799 ($33,800-$41,599)	12,668	15,207	29,361	26,718
$800-$999 ($41,600-$51,999)	15,288	18,933	36,116	32,377
$1,000-$1,249 ($52,000-$64,999)	17,892	21,219	41,357	37,406
$1,250-$1,499 ($65,000-$77,999)	14,431	16,211	33,444	29,795
$1,500-$1,749 ($78,000-$90,999)	13,054	14,296	31,384	27,465
$1,750-$1,999 ($91,000-$103,999)	9,900	10,747	24,029	22,654
$2,000-$2,499 ($104,000-$129,999)	16,885	16,871	39,945	41,649
$2,500 or more ($130,000 or more)	8,954	8,296	22,122	28,904
Total Households	**181,825**	**201,629**	**408,073**	**392,232**
Total Qualifying Households in Green	22,355	55,787	215,788	145,259
Partial Income Bracket Households in Yellow	30,412	24,065	41,357	26,718
Estimated Proportion of Households in Partial Income Bracket who qualify = (Income Eligibility Limit (Annual) - Partial Income Bracket Minimum) / (Partial Income Bracket Maximum - Partial Income Bracket Minimum)	86%	73%	43%	27%
Estimated Households in Partial Income Bracket who Qualify = Estimated Proportion x Households in Partial Income Bracket	26,159	17,489	17,702	7,126
Total Estimated Qualifying Households = Estimated Partial Income Bracket Households who Qualify + Qualifying Households	48,514	73,276	233,490	152,385
Estimated Proportion of Households Who Qualify = Total Estimated Qualifying Households / Total Households	26.7%	36.3%	57.2%	38.9%

Source: ABS Census 2021

APPENDIX 3: LONE PERSON HOUSEHOLD INCOMES AND COMMUNITY HOUSING

Key Insights

Single person households by income brackets across four Greater Capital City areas have been depicted to the right.

This has informed comparative analysis of income eligibility limits across states given it is a consistent household type identified within each state's income eligibility limits.

Lone Person Households Who Qualify for Community Housing, Greater Capital Cities, as at ABS Census 2021

HIND TOTAL HOUSEHOLD INCOME	GREATER PERTH	GREATER BRISBANE	GREATER MELBOURNE	GREATER SYDNEY
Single Person Income Eligibility Limit (Annual)	$58,708	$31,668	$64,020	$71,600
$1-$149 ($1-$7,799)	2,517	2,560	6,129	5,837
$150-$299 ($7,800-$15,599)	6,578	6,457	14,095	13,954
$300-$399 ($15,600-$20,799)	13,260	13,804	27,741	29,311
$400-$499 ($20,800-$25,999)	30,412	32,966	62,611	59,538
$500-$649 ($26,000-$33,799)	19,978	24,065	39,735	36,619
$650-$799 ($33,800-$41,599)	12,668	15,207	29,361	26,718
$800-$999 ($41,600-$51,999)	15,288	18,933	36,116	32,377
$1,000-$1,249 ($52,000-$64,999)	17,892	21,219	41,357	37,406
$1,250-$1,499 ($65,000-$77,999)	14,431	16,211	33,444	29,795
$1,500-$1,749 ($78,000-$90,999)	13,054	14,296	31,384	27,465
$1,750-$1,999 ($91,000-$103,999)	9,900	10,747	24,029	22,654
$2,000-$2,499 ($104,000-$129,999)	16,885	16,871	39,945	41,649
$2,500 or more ($130,000 or more)	8,954	8,296	22,122	28,904
Total Households	**181,825**	**201,629**	**408,073**	**392,232**
Total Qualifying Households in Green	100,701	55,787	215,788	241,760
Partial Income Bracket Households in Yellow	17,892	24,065	41,357	29,795
Estimated Proportion of Households in Partial Income Bracket who qualify = (Income Eligibility Limit (Annual) - Partial Income Bracket Minimum) / (Partial Income Bracket Maximum - Partial Income Bracket Minimum)	52%	73%	92%	51%
Estimated Households in Partial Income Bracket who Qualify = Estimated Proportion x Households in Partial Income Bracket	9,233	17,489	38,242	15,128
Total Estimated Qualifying Households = Estimated Partial Income Bracket Households who Qualify + Qualifying Households	109,934	73,276	254,030	256,888
Estimated Proportion of Households Who Qualify = Total Estimated Qualifying Households / Total Households	60.5%	36.3%	62.3%	65.5%

Source: ABS Census 2021

APPENDIX 4 – WAGE PRICE INDEX

APPENDIX 4: WAGE PRICE INDEX

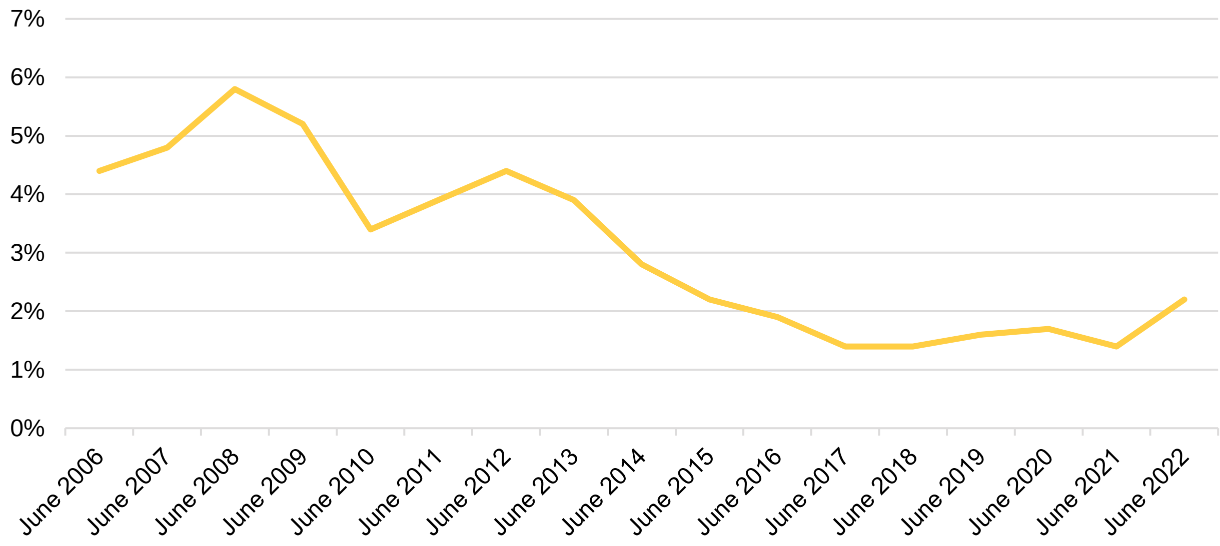
Key Insights

The Wage Price Index (WPI) measures changes in the price of labour in the Australian labour market.

This graph depicts year on year percentage change in the WPI for WA between 2006 and 2022. It is inclusive of wages across all industries in WA.

Across this period, the average growth per annum in the WPI is 3.1%. After a period of lower wage growth between 2017 and 2021, wages are now starting to grow at a faster rate.

YOY (%) Change in Total Hourly Rates of Pay Excluding Bonuses, Western Australia, June 2006 – June 2022



Source: ABS

COVID-19 AND THE POTENTIAL IMPACT ON DATA INFORMATION

The data and information that informs and supports our opinions, estimates, surveys, forecasts, projections, conclusion, judgments, assumptions and recommendations contained in this report (Report Content) are predominantly generated over long periods, and is reflective of the circumstances applying in the past. Significant economic, health and other local and world events can, however, take a period of time for the market to absorb and to be reflected in such data and information. In many instances a change in market thinking and actual market conditions as at the date of this report may not be reflected in the data and information used to support the Report Content.

The recent international outbreak of the Novel Coronavirus (COVID-19), which the World Health Organisation declared a global health emergency in January 2020 and pandemic on 11 March 2020, has and continues to cause considerable business uncertainty which in turn materially impacts market conditions and the Australian and world economies more broadly.

The uncertainty has and is continuing to impact the Australian real estate market and business operations. The full extent of the impact on the real estate market and more broadly on the Australian economy and how long that impact will last is not known and it is not possible to accurately and definitively predict. Some business sectors, such as the retail, hotel and tourism sectors, have reported material impacts on trading performance. For example, Shopping Centre operators are reporting material reductions in foot traffic numbers, particularly in centres that ordinarily experience a high proportion of international visitors.

The data and information that informs and supports the Report Content is current as at the date of this report and (unless otherwise specifically stated in the Report) does not necessarily reflect the full impact of the COVID-19 Outbreak on the Australian economy, the asset(s) and any associated business operations to which the report relates. It is not possible to ascertain with certainty at this time how the market and the Australian economy more broadly will respond to this unprecedented event and the various programs and initiatives governments have adopted in attempting to address its impact. It is possible that the market conditions applying to the asset(s) and any associated business operations to which the report relates and the business sector to which they belong has been, and may be further, materially impacted by the COVID-19 Outbreak within a short space of time and that it will have a longer lasting impact than we have assumed. Clearly, the COVID-19 Outbreak is an important risk factor you must carefully consider when relying on the report and the Report Content.

Where we have sought to address the impact of the COVID-19 Outbreak in the Report, we have had to make estimates, assumptions, conclusions and judgements that (unless otherwise specifically stated in the Report) are not directly supported by available and reliable data and information. Any Report Content addressing the impact of the COVID-19 Outbreak on the asset(s) and any associated business operations to which the report relates or the Australian economy more broadly is (unless otherwise specifically stated in the Report) unsupported by specific and reliable data and information and must not be relied on.

To the maximum extent permitted by law, Urbis (its officers, employees and agents) expressly disclaim all liability and responsibility, whether direct or indirect, to any person (including the Instructing Party) in respect of any loss suffered or incurred as a result of the COVID-19 Outbreak materially impacting the Report Content, but only to the extent that such impact is not reflected in the data and information used to support the Report Content.

This report is dated **May 2023** and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of **Foundation Housing** (Instructing Party) for the purpose of a **Data Review** (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events including wars, civil unrest, economic disruption, financial market disruption, business cycles, industrial disputes, labour difficulties, political action and changes of government or law, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

In preparing this report, Urbis may rely on or refer to documents in a language other than English which Urbis will procure the translation of into English. Urbis is not responsible for the accuracy or completeness of such translations and to the extent that the inaccurate or incomplete translation of any document results in any statement or opinion made in this report being inaccurate or incomplete, Urbis expressly disclaims any liability for that inaccuracy or incompleteness.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading bearing in mind the necessary limitations noted in the previous paragraphs. Further, no responsibility is accepted by Urbis or any of its officers or employees for any errors, including errors in data which is either supplied by the Instructing Party, supplied by a third party to Urbis, or which Urbis is required to estimate, or omissions howsoever arising in the preparation of this report, provided that this will not absolve Urbis from liability arising from an opinion expressed recklessly or in bad faith.

Urbis acknowledges the important contribution that Aboriginal and Torres Strait Islander people make in creating a strong and vibrant Australian society.

We acknowledge, in each of our offices, the Traditional Owners on whose land we stand.

Urbis staff responsible for this report were:

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Project code	P0045512
Report number	Final