



Mid year economic update must confront growing housing and homelessness crisis

EMBARGO: 7 December 2023

The Federal Government must address the housing and homelessness crisis in its [mid-year economic outlook as a new analysis](#) from Homelessness Australia reveals a 6.2% increase in demand for already overwhelmed services from those impacted, amid declining funding.

“Homelessness services are at a snapping point,” said Kate Colvin, chief executive of Homelessness Australia. “We were already stretched but now we are overwhelmed. Extraordinary times demand additional resources. Instead we are staring down the barrel of funding cuts.”

Relentless rent increases and record low vacancy rates are driving more Australians to the brink of homelessness. Since July 2020, rents have soared by 30.4%, pushing the median weekly rental to an unprecedented \$588. This surge has been most pronounced in Perth, Melbourne, and Sydney.

Between January and September 2023, an additional 5,600 people each month sought homelessness assistance because of issues with the housing crisis compared with the same period in 2022.

People seeking homelessness assistance

	Average number of people using homelessness services each month for reasons relating to financial stress, housing crisis or accommodation issues
Jan-Sep 2022	90,262
Jan-Sep 2023	95,862
Percentage change	6.2%

Despite surging demand, funding for homelessness services is falling in real terms. And the impending expiry of the National Housing and Homelessness Agreement in June 2024 presents a looming \$73 million funding cliff, threatening the future of these vital services.

"More Australians are confronting the risk of sleeping on a friend's couch, pitching a tent or living out of a station wagon," Kate Colvin said.

"The Government must step up and provide additional income support to help low income households manage the cost of renting, and a \$450 million emergency investment in homelessness services to enhance the capacity of homelessness services to respond to growing demand."

Homelessness Australia's recent submission to the National Housing and Homelessness Agreement outlines a broad reform agenda, including substantial investment in social housing and support for



domestic violence, disability, and mental health services, doubling Commonwealth Rental Assistance and expanding eligibility for it. However, the current crisis demands immediate intervention.

"This is not just a call for funding; it's a call to save lives and restore dignity to many Australians facing the most desperate circumstances," Colvin said

To arrange interview call Nick Lucchinelli 0422 229 032