



Surging demand for homelessness support amid uncertain funding

The Productivity Commission annual *Report on Government Services* has revealed an alarming surge in demand for homelessness services as providers grapple with a looming \$73 million funding black hole.

The Productivity Commission report finds a 23% jump in people exiting homelessness support into rough sleeping, with the number jumping from 4,658 in 2021-22 to 5,712 in 2023-24. There was also an increase in the number of people who were rough sleeping before they came to a service, up from 7,556 to 9,140 over the same period.

The daily unassisted requests for accommodation also increased five per cent, from 203.2 to 213.6. This meant 57,519 people were identified with a need for accommodation and weren't provided with any (up from 55,687 in 2021-22).

As the PM prepares a cost of living package, Homelessness Australia is urging him to support those who have experienced the brunt of the rental crisis.

“Every piece of evidence and every human story tells us the same thing. Huge swathes of Australians have been absolutely crushed by the housing crisis. People on low and modest incomes who have had to renegotiate a rental agreement are often asked to fork out hundreds of dollars more per month for the same property. This is money they simply don't have and puts them on the slippery slope to homelessness.

“Homelessness service providers are doing their very best with stretched resources. But there are limits to what's possible. Providers are being asked to make impossible choices, like turning away a teenager fleeing an abusive home because a mum with young kids has also walked through the door. This is traumatic for everyone and it shouldn't be happening in a wealthy nation like Australia.”

For homelessness services to respond to everyone needing urgent homelessness help, a significant funding boost is needed. Homelessness Australia has estimated that an additional \$450 million in homelessness support is needed to respond to new people needing homelessness assistance and people currently being turned away.

In 2023-24, funding increased 4.4%, but CPI over the same period increased 6.0%. Making matters worse, in June 2024 the current National Housing and Homelessness Agreement



expires. Homelessness services face a funding cliff of \$73 million if the agreement continues without full funding for wages.

“No one disputes the fact we are in a housing crisis. Uncertain and inadequate homelessness funding aggravates an already serious problem and prevents people getting desperately needed help.

“Australia needs to do more to address the housing crisis and prevent people becoming homeless. But in the meantime the least the Government can do is invest in those facing the starkest consequences of the crisis who don't have a roof over their head.”

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