

# OSWALD BARNETT ORATION

## What Is Happening In Australian Housing Markets? Why Policy Makers Should be Concerned<sup>1</sup>

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### A. Introduction.

As a campaigner for housing justice, and a commissioner on the Board of the Housing Commission of Victoria, I feel sure that Oswald Barnett would be alarmed at recent trends in Australian housing markets. There is growing polarisation in Australian housing markets between those who have attained or will attain home ownership, and those who will spend their housing careers in private rental housing. Those reliant on private rental housing do not share in the capital gains and tax advantages that accrue to homeowners. In addition, there is growing evidence both in Australia (Wood et. al. 2004) and in the United States (Quigley and Raphael, 2004) that *low-income* renter households have to grapple with rising housing costs that are accounting for an increasing share of their incomes.

This has an obvious equity dimension, but it also affects the efficiency of urban and regional housing economies as affordable rental housing retreats further from agglomerations of employment growth, and is becoming scarcer in booming regional economies. The economic efficiency consequences of spiralling rents and prices are frequently overlooked, but are deserving of comment. As affordable housing retreats from centres of employment opportunity, so commuting time and costs rise for those whose housing opportunities are constrained by low incomes. Low wage job vacancies in employment centres become increasingly difficult to fill and labour markets function less efficiently.

Rising property and land values affect businesses as well as housing costs. A business must meet rents or pay market prices for land/holdings on premises and buildings and these rents and prices must remain competitive in the longer run. The higher rents and prices feed into costs adversely effecting profits, investment and ultimately job opportunities. These land and labour market frictions can curb growth in urban and regional economies.

Also of concern is evidence that some government policies are furthering polarisation in housing and labour markets by distorting work incentives and investment patterns. Employment participation rates among recipients of Housing Assistance (HA) are relatively low and there are concerns about poverty and unemployment traps among

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HA recipients. Only 25% of non-disabled working age recipients of Commonwealth Rent Assistance (CRA) are in (any form) of paid employment, while a somewhat higher 30% of non-disabled working age public housing tenants are in paid employment<sup>2</sup>. These chronically low rates of employment are symptomatic of the increasingly marginal position occupied by those in disadvantaged housing market circumstances. It is important to ask why these households are not sharing in strong economic growth and falling rates of unemployment, and if government policies are in any way responsible.

We must also question the impact that government taxation arrangements are having on the pattern of rents, prices and hence investment. As I shall argue below, government taxation is contributing to polarisation by placing investments in affordable rental housing at a relative disadvantage. Affordable private rental housing is not then sharing in the investment boom that has been evident in this tenure in recent years.

This oration has three main aims. Firstly I offer a brief description of the ways in which the housing market circumstances of the most disadvantaged are diverging from those in advantaged housing market positions. Secondly, we outline the factors that are driving this polarisation with particular reference to:

- Intensification of competition for land in the vicinity of agglomerations of knowledge intensive economic activities;
- Market imperfections in the form of ‘exclusionary’ land use controls and tenant screening mechanisms;
- Tax arrangements that distort the pattern of investment to the disadvantage of affordable rental housing

Finally, we advance some policy proposals that address issues of housing affordability but also encompass wider concerns such as improving the efficiency of urban labour markets, and helping the transition of HA recipients from government transfer programmes onto job career ladders.

## **B. Polarisation in Australian Housing Markets**

Outright homeowners and home purchasers’ wealth positions have improved markedly over the recent house price cycle. The average owner-occupier held housing equity of \$135,000 in 1990 (Table 1, Wood, 1990). By 2000-01 this average housing equity holding had grown to \$192,306<sup>3</sup>. The savings of the average tenant, at \$22,000 in 2000-’01, is a dramatic contrast (Wood, Watson and Flatau, 2004)<sup>4</sup>. This growing disparity in wealth positions is occurring alongside deterioration in housing affordability for low-income private rental tenants. Though average housing costs are increasing in line with average incomes for tenants and homeowners (ABS, 2004,

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<sup>2</sup> Figures derived from the HILDA survey by Whelan (2004). Similarly, the Survey of Income and Housing Costs (2000-’01) shows that only 29% of non-disabled working age recipients of CRA are in paid employment compared to 36% of non-disabled working age public housing tenants.

<sup>3</sup> Both estimates are obtained from the confidentialised unit record files (CURF) of the ABS Survey of Income and Housing Costs (previously known as the Income Distribution Survey in 1990).

<sup>4</sup> This figure is boosted by the presence of a small number of professionals and managers living away from their permanent residence on a temporary basis. See Wood, Watson and Flatau, 2004 for details.

Housing Occupancy Costs Catalogue Number 4130.0.55.001), low-income private rental tenants are paying an increasing share of their income in housing costs (Wood, et. al., 2004). There are also indications that housing opportunities for low income tenants are shrinking. Yates and Wulff (2001) show that in the 1986-1996 period the stock of low rent housing declined, despite a large increase in the total stock of private rental housing. Yates and Wulff (2004) demonstrate that this pattern is repeated in the 1996-2001 period. The decline in affordable housing opportunities is occurring alongside a reduction in Commonwealth State Housing Assistance Expenditure, which in real terms fell by 18.6 per cent between 1993-'94 and 2002-'03 (Productivity Commission, 2004b).

There is also spatial polarisation as a shrinking stock of affordable private rental housing is retreating to the outer suburbs and fringes of metropolitan areas. Meanwhile, housing accessible to the buoyant clusters of new economy industries has become more expensive. Consider Sydney, our largest city, with some of the most severe housing affordability problems in Australia. In 1991 the cheapest 10% of private rental properties was an average 26km from the Central Business District (CBD). Ten years later in 2001 it had retreated to an average 32km from the CBD. Exactly the reverse pattern is evident when we examine the location of the most expensive 10% of private rental properties. In 1991 they were typically only 11km from the CBD, and by 2001 this distance had shrunk to 10km (Wood, Reynolds and Yates, 2004). In Yates and Wood (2004) we show how the spatial distribution of the cheapest 10% of private rental properties is increasingly concentrated, and its location increasingly different from the rest of the private rental housing stock. There is then an increasing segregation between private rental housing affordable to low income households and the more expensive rental housing, and the former is increasingly concentrated in areas distant from the CBD.

But does this matter? If jobs follow where people live, the spatial polarisation will be reversed as employers re-locate adjacent to areas of abundant affordable housing opportunities. After all, employers should expect to pay lower wage premiums, as commuting costs are lower. A signal that housing and labour market adjustments are not occurring along these lines, or that if they are it is sluggish adjustment, becomes apparent from the observation that in Sydney (1996) vacancy rates among the cheapest 10% of rented properties were 66% higher than those in the most expensive 10% of rental properties. This is to be expected when affordable housing opportunities are becoming more distant from employment opportunities that remain concentrated in and around CBDs and inner suburbs. O'Conner and Healy (2002) show that this is indeed the case in Melbourne. They use census data to demonstrate that in 1996 45% of all Melbourne jobs are to be found in the city's core. Between 80 and 85% are located in the core and inner suburbs. These shares had changed little over the 10-year period 1986-1996, though there had been an important change in the type of jobs.

Government can make it more difficult for those living in disadvantaged housing market circumstances to access job opportunities.<sup>5</sup> Those in the most disadvantaged housing market positions typically receive HA in the form of CRA or public housing,

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<sup>5</sup> The findings reported in the rest of this section are based on research being conducted for the Australian Housing and Urban Research Centre's first Collaborative Research Venture "Housing Assistance and Economic Participation".

and many must confront poverty and unemployment traps made more severe by HA. My colleague Rachel Ong has used the CURFs of the ABS Survey of Income and Housing Costs (2000-'01) to show that under the 2004 Commonwealth fiscal regime 14.3% of working age public housing tenants lose more than 60 cents in additional taxes and lost benefits when their earnings increase by 1\$ per week. The proportion of working age CRA recipients in such a position is a little lower at 13.3%.

Poverty and unemployment traps are one of a range of factors that can adversely impact on the economic opportunities available to HA recipients, and help perpetuate their disadvantaged position in both housing and labour markets. Joblessness among the working age members of a household is a particular concern, as these circumstances surely discourage economic participation among adults and children. 61% of working-age households<sup>6</sup> in public housing and 65% of working-age households where the head receives CRA<sup>7</sup> are jobless (see appendix, table 1A). By contrast only 6% of owner purchaser working-age households are jobless (see appendix, table 1B). These high rates of joblessness among HA recipient households are persisting *despite* healthy employment growth and falling rates of unemployment.

We should caution against drawing causal links between HA and employment. HA is targeted on the most disadvantaged. Thus we find that one-quarter of working age public housing tenants are disabled, and almost one-third of working age CRA recipients<sup>8</sup> are disabled (see appendix, table 2). Around three quarters of working age public housing tenants have no qualifications, and the absence of qualifications is almost as high for working age CRA recipients (see appendix, table 3). For those HA recipients in employment their hold over jobs is likely to be tenuous as revealed by a relatively high incidence of casual employment, particularly among employed CRA recipients (see appendix, table 4).

I hope that this commentary convinces readers that despite healthy economic growth, a group of Australians are being left behind. Many are Australians in disadvantaged housing market circumstances. Though HA may ameliorate the worst effects of such disadvantage, there is clear evidence of a range of factors impeding advance up the 'ladder of opportunity'. As I aim to demonstrate in the next section, the determinants of this polarisation in housing and labour markets also raise concerns about economic efficiency. Could the forces driving polarisation outcomes curb future growth in currently buoyant urban and regional economies?

## **C. The Factors Driving Australian Housing Market Polarisation**

Good policy requires a deep understanding of the forces that determine housing market outcomes. Without that understanding policy instruments are unlikely to address the causes of inferior outcomes. So what are the chief explanations for increasing housing market polarisation?

### **C1. Urban Structures, Technological Change and Land Use Patterns**

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<sup>6</sup> Households with at least one working-age person.

<sup>7</sup> Recipients under the Social Security Act

<sup>8</sup> Recipients under the Social Security Act.

The new communications technologies and computerised technologies have reduced the costs of conducting business between firms, and increased the flexibility of production technologies so that custom designed outputs are the norm rather than the exception. In advanced economies such as Australia, the new technologies are accompanied by the loss of 'old economy jobs' in manufacturing, and the growth of 'new economy jobs' in information or knowledge intensive industries as well as supporting service industries (Dunt and Harper, 2002).

New economy firms are leaner, concentrating on core competencies, and operate in the context of continuously changing product and service hierarchies where complex information is a typical feature of their outputs (McCann, 1995). Their survival and prosperity are more dependent on a reputation for trustworthiness, and co-location in clusters of interrelated economic activities facilitates the face-to-face communication and embedding<sup>9</sup> essential to the formation of trust-honour relationships.

What is the relevance of this diversion into the corporate world? I submit that these developments are having an impact on urban land use patterns, living arrangements and hence on housing markets. There is an intensification of competition for land in the vicinity of spatial networks comprising 'new economy' firms and related agencies that are helping drive land values up (Wood and Parr, forthcoming, 2005). The inflated land values can displace affordable housing from localities in easy reach of these networks.

New economy jobs are characterised by a widened workplace that encompasses the 'physical meeting space' conjoining homes, inter-related firms and agencies. The consequence is stronger links between workplace and residence as easy access to physical meeting space is of much higher value. These strengthening links have contributed to the spiralling land and property values in the vicinity of new economy agglomerations that have been successfully established in urban (and regional) locations. This is particularly relevant for professional and managerial jobs where the higher salaries strengthen their hand when it comes to a scramble for locations with easy access attributes.

There are parallel developments in the labour market where Heath (1999) argues that the employer's ideal type is the "detached, geographically mobile and temporally available worker". These employer demands are impacting on living arrangements as evidenced by an increasing propensity to enter non-familial household living arrangements, and the inclination for young people to live in occupational "clusters" with housemates working exclusively in the same workplace, not just the same occupation. The appeal of such occupational clusters has been successfully captured in television programmes such as *This Life*, *Friends*, and *Ally McBeal*. The smaller household sizes and the non-familial household structures impact on housing size and design, but in the short to medium term add to inflationary pressures in land and property markets as a housing stock built to accommodate families is adapted to suit modern living arrangements.

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<sup>9</sup> In Harrison (1999, p203) embedding is described as firms interpenetrating "one another's formal organisational boundaries rather than solely through the price mediated exchange of commodities. They plan together, bid on contracts together, and receive technical, financial and other services from agencies delivering these services as local public goods".

In summary, it would seem that the rise of knowledge-intensive industry networks and support services has fostered inflationary pressures in land and property markets in the vicinity of agglomerations of such new economy activities. These pressures are displacing housing affordable to low income households. Is this a problem? These agglomerations are only sustainable if low and moderate wage job vacancies can be filled. Offices need to be cleaned, essential public services have to be delivered and the restaurants, cafes and hotels require their waiters, chefs and reception staff. Access to affordable housing could be critical to a healthy supply of labour in these occupations, otherwise wage premiums must be paid and this feeds into costs with potentially adverse consequences for the future competitiveness of our most dynamic urban and regional centres.

## **C2. Agency Problems in Housing Markets**

Contraction in the public housing stock, de-institutionalisation and sizeable numbers of *jobless households* has increased the hazards associated with managing the low rent housing stock. These hazards or agency problems include rent default, damage to property and breaches of lease conditions. Their increasing importance has prompted real estate agents to use tenancy databases as a means of screening prospective tenants (Seelig, 2003). Residential Tenancy Databases (RTDs) are privately owned, electronic databases that collect information on tenants to assist property managers and landlords to assess risk and identify potential ‘problem’ tenants. RTDs provide information to real estate agents on prospective tenants on a fee-for-service basis. If prospective tenants fail to comply with their obligations under the Residential Tenancy Agreement, that fact and other relevant personal information collected about the applicant during the course of their tenancy may be disclosed to the landlord, third party operators of tenancy reference databases and/or other agents. Tenants are able to request a rental history file from database companies for a fee.

Those ‘listed’ by tenancy databases must compete for rental housing in the *informal sector* where tenancy databases do not operate. This crowding of listed tenants into the informal sector may raise rents in that segment of the market, and the crowding effect will strengthen as the reach of tenancy databases increases. This is one possible reason why we find higher gross rental yields in rental market segments with low capital values (Wood and Watson, 2001). The *formal* sector where properties are managed by real estate agents is less prominent at the cheaper end.<sup>10</sup> Thus if there are crowding effects these will be felt in segments where demand from low-income households is concentrated.

The use of tenancy databases is prompted by investor concerns about returns and asset values whose source is agency problems. These concerns may also impact on the behaviour of homeowners given the growing importance of housing equity in owner-occupiers’ wealth portfolios, and the protection of living standards that it provides in old age.<sup>11</sup> The intrusion of low-income households into prosperous neighbourhoods

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<sup>10</sup> The ABS 1997 Rental Investors Survey reveals that among the 10% of properties with the lowest property values 48.6% of properties are managed by estate agents, which is well below the 60% market share of estate agents in the rest of the rental stock.

<sup>11</sup> Kelly and Harding (2002) estimate that housing equity is 52% of the wealth portfolios of all adults. Among 50-69 year olds it is 53%.

and suburbs can be regarded as a threat to house prices. What instruments can owner-occupiers use to protect their home equity against this perceived threat?

In the USA academic studies offer considerable evidence that land use controls are used as a means of excluding the development of affordable housing for low income households (Ihlanfeldt, 2004a; 2004b; Cervero and Duncan 2004; Fischel, 2004; Quigley, Raphael and Rosenthal, 2004). The phenomenon is particularly visible in the USA because whites typically reside in higher income homeowner suburbs. However, Quigley and Raphael (2004) describe the process more generally and emphasise how land-use regulations tend to reduce new construction, push up house prices and the available stock of low rent housing contracts. They graph nominal (new) house prices alongside building cost indices, and find that between the mid-1980s and 1999 new house prices had risen to levels 25% greater than input prices. In their view part of this reflects increased land costs arising from regulatory restrictions on new construction. Whether this has contributed to increased rent burdens on the poor is an important area for future research. We know very little about the housing market impacts of land use controls in Australia, and so firm conclusions cannot be advanced.<sup>12</sup> This is an issue deserving attention from researchers.

### **C3. Tax Arrangements**

Commonwealth and State government tax arrangements are one of the most important influences – if not the most important influence – on the prices and rents that Australians must pay in order to meet their housing requirements. These are a plethora of academic studies (Beer, 1999; Bourassa and Hendershott, 1992; Badcock and Browett, 1991; Wood, 2001; Wood and Watson, 2001) and new government reports (Productivity Commission, 2004a) that draw attention to the impacts of tax arrangements, but the issue is typically placed in the ‘too hard’ basket when it reaches the political arena.

In fact, tax arrangements have complicated effects that are important but poorly understood. In the owner-occupied sector of the market, Commonwealth tax arrangements ensure that almost all households in middle to higher tax brackets are better off on a recurrent annual economic cost basis if they become home owners rather than private renters (Wood, 2001). On the other hand, State government taxes make a sizeable contribution to the up-front cash requirements of first home purchasers (FHP) that are the most important hurdle FHP must jump<sup>13</sup>. What evidence we have indicates that most potential FHP have inadequate savings to meet these up-front cash requirements (Wood, Watson and Flatau, 2004). Gifts and bequests are likely to play an increasingly important role following the recent house price cycle, and the offspring of poorer Australian parents, particularly those who rent, will be less well placed to make the transition into first home ownership.

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<sup>12</sup> Some evidence was advanced as part of the Prime Minister’s 2003 task force (Caplin, Joye, Glaeser, Butt and Kucynski, 2003).

<sup>13</sup> Up-front cash requirements include the deposit requirements of lending institutions, private mortgage insurance and stamp duties on conveyance and mortgages. Stamp duties on conveyances, the more important duty, typically accounts for 19.4% of up-front cash requirements, and are most onerous in Western Australia and Victoria (Wood, Watson and Flatau, 2004).

These consequences of tax arrangements have very evident equity dimensions that warrant concern. But there is also an efficiency aspect. Many of those with savings that fall well short of up-front cash requirements would be better-off if homeowners. That is, their annual economic costs as homeowners would be lower than those currently incurred as private renters. These people are prevented from making a preferred housing choice and state government taxes are one relevant factor.

Tax arrangements have seriously distorting effects on the pattern of investment in private rental housing. Since the mid-1980s, we have witnessed a boom in investor activity in this sector of the housing market and yet this boom has failed to reach those segments of the market that are affordable to low income households. Commonwealth tax arrangements with respect to private rental investors put this investment on the same 'level playing field' as other assets, such as shares. They allow investors to use capital borrowings that are serviced by tax-deductible interest payments, to leverage the acquisition of an asset that has part of its return (capital gains) lightly taxed.

These tax arrangements confer most benefit on high tax bracket investors who seek out properties in buoyant housing market segments that offer the prospect of healthy capital gains. Those segments of the housing market that are less attractive in terms of capital gains, must offer higher returns in the form of gross rental yields in order to attract investors (Wood and Tu, 2004). But these segments are precisely those where low-income households will seek affordable housing; yet the tax system has the perverse effect of pushing up rents (relative to capital values) in these segments.<sup>14</sup> To the extent that rents are pushed up to levels that are unaffordable we can expect higher vacancy rates and disinvestment in these segments. The evidence we have from Rental bond data (Wood, Reynolds and Yates, 2004) and Census data (Yates and Wulff, 2004) is consistent with this hypothesis.

## **D. Concluding Comments and Policy Prescriptions**

The argument presented in this oration can be summarised in the following way:

- Australian housing markets are polarised with a growing divide separating home owners and low income private renters
- This divide is both inequitable and inefficient
- It is partly driven by forces originating outside the housing market that include corporate and economic restructuring prompted by technological change
- However, the actions of investors and homeowners in protecting asset returns in the face of hazards posed by growing agency problems are inadvertently contributing to polarisation tendencies in Australian housing markets
- Some government policy actions, tax and subsidy arrangements in particular, are contributing to the divide separating homeowners and low-income private renters.

How should governments approach these issues? The shortage of rental housing affordable to low income households is a justifiable concern. Commonwealth Rent

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<sup>14</sup> These tax factors and relatively high agency costs help explain why we observe an inverse relationship between gross rental yields and capital values.

Assistance (CRA) is not up to the task. Among those receiving CRA, a majority in Sydney, Melbourne and Brisbane are getting the maximum rate of assistance (Burgess, 2003). Rates of employment among CRA recipients are chronically low, which is symptomatic of severe unemployment traps. It is also poorly targeted with as many as 1 in 5 low income tenants in housing affordability stress, but ineligible for assistance (Wood, Forbes and Gibb, 2003). Many of these tenants are in low wage jobs, but would suffer little financial loss if they became unemployed since they would be eligible for CRA as well as income transfer programmes such as Newstart Allowance.

I would advocate a two-pronged approach that combines supply-side and demand-side policies. In the former category low-income housing tax credits made available to investors conditional on headleasing arrangements with Community Housing Organisations, and weekly rents below some threshold level, would help address the distortions in investment patterns in rental housing. On the demand-side Commonwealth Rent Assistance needs reform. It is failing the working poor in its present form, and this is particularly evident in the more expensive Australian housing markets. Permitting tenants who move from income transfer programmes into work to continue to receive part of their previous CRA entitlement sharpens work incentives, cushions living standards for those moving into low wage jobs and assists labour mobility. The high proportion of tenants receiving maximum rates of assistance in our more expensive housing markets warrants the removal of maximum rates.

As suggested in the earlier parts of this oration, housing markets are linked with broader concerns. Tenants receiving housing assistance either in the form of public housing or CRA are clearly living in circumstances that disadvantage them in relation to sustainable improvement in employment outcomes. The housing they live in is often located distant from CBDs where suitable jobs servicing 'new economy' industries are growing in number, and is sometimes co-located in deprived neighbourhoods that accentuates individual disadvantage.

A 'whole of government' approach is a fashionable term much in use in policy discussions, but less frequently observed in policy design. Where you live and what you live in are influential determinants of economic opportunities that housing policy *alone* cannot address. There is a growing need for policy makers to integrate labour market programmes, housing policy and regional/urban policy instruments in ways that can address the economic forces causing polarisation in housing and related socio-economic outcomes. It is vital that these measures improve social and economic opportunities for the most disadvantaged, without stifling the economic vitality that is apparent in the new economy sectors of our urban and regional economies. These sectors are important engines of economic growth, and their continued success can generate the employment opportunities and tax revenues that might help bridge the growing divide in polarised housing markets.

I believe these policy proposals deserve attention. They could be part of a concerted effort to address the equity and efficiency concerns surrounding polarisation in Australian housing markets. There are areas of policy that I have neglected because I feel we know too little about their role (e.g. land use planning and controls). But there is one message I am convinced policy makers need to heed. Developments in Australian housing markets are in part driven by structural change in labour markets

and changing corporate land use patterns. These relationships are making 'what you live in' and 'where you live' increasingly influential determinants of economic opportunities. As pointed out elsewhere (Maclennan, 2004), the role of space and place is a sorely neglected issue in social and economic policy. This is particularly evident in Australia.

## Appendix

**Table 1(A) Working age households<sup>a</sup> with no working age earners, by housing assistance type, 2000-01**

	HA type <sup>b</sup>					Total
	CRA(SS) <sup>c</sup>	CRA(FA) <sup>d</sup>	Public housing	Benefits, no HA	No benefits, no HA	
<i>Sample</i>						
Count	91	108	176	320	170	865
% of HA type	64.5	51.4	60.7	41.1	4.3	16.1
<i>Population</i>						
Count	108,217	110,477	162,371	348,750	166,974	896,789
% of HA type	63.5	49.8	59.1	39.2	3.9	15.4

Source: 2000-01 SIHC

Note:

- Households with at least one person of working age.
- HA=Housing assistance;
- CRA(SS)=Commonwealth Rent Assistance under Social Security Act, that is, person must be a benefit recipient;
- CRA(FA)=Commonwealth Rent Assistance under Family Assistance Act, that is, person must be receiving more than the base rate of Family Tax Benefit Part A.

**Table 1(B) Working age households<sup>a</sup> with no working age earners, by housing tenure type, 2000-01**

	Housing tenure					Total
	Outright owner	Owner purchaser	Private renter	Public renter	Rent-free	
<i>Sample</i>						
Count	283	117	272	176	17	865
% of tenure	17.0	5.7	22.4	60.7	12.1	16.1
<i>Population</i>						
Count	298,012	119,282	299,669	162,371	17,456	896,789
% of tenure	16.4	5.4	21.8	59.1	11.1	15.4

Source: 2000-01 SIHC

**Table 2 Incidence of disability<sup>a</sup> among working-age persons, by housing assistance type, 2000-01**

Incidence of disability	HA type <sup>a</sup>					Total
	CRA(SS) <sup>b</sup>	CRA(FA) <sup>c</sup>	Public housing	Benefits, no HA	No benefits, no HA	
<i>Sample</i>						
Count	82	11	96	281	4	474
% of HA type	30.1	3.6	25.5	24.1	0.0	4.6
<i>Population</i>						
Count	106,548	12,369	100,269	353,852	3,419	576,457

% of HA type	31.0	3.7	27.6	25.7	0.0	4.9
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Source: 2000-01 SIHC

Note:

- a. It is not possible to directly observe whether a person is disabled or not from the 2000-01 SIHC. Thus, it is assumed that a person is disabled if he/she receives the Disability Support Pension. This is likely to lead to an underestimation of the number of disabled persons, as some disabled persons may not be receiving the Disability Support Pension if they have high assessable income levels.

**Table 3 Incidence of working-age persons with a highest educational attainment of no qualifications, by housing assistance type, 2000-01**

No qualifications	HA type					Total
	CRA(SS)	CRA(FA)	Public housing	Benefits, no HA	No benefits, no HA	
<i>Sample</i>						
Count	194	195	277	807	3,752	5,225
% of HA type	71.3	64.4	73.5	69.0	46.1	50.9
<i>Population</i>						
Count	246,494	210,092	273,380	974,909	4,214,187	5,919,062
% of HA type	71.7	62.6	75.2	70.6	45.7	50.8

Source: 2000-01 SIHC

**Table 4 Type of current employment contract, by housing assistance type, 2001**

Contract	HA type					Total	
	CRA(SS)	CRA(FA)	Public housing	Benefits, no HA	No benefits, no HA		
<i>Sample</i>							
Permanent	Count	24	60	83	138	4,159	4,464
	% of HA type	27.9	48.4	50.6	32.6	68.8	65.3
Fixed-term	Count	6	9	13	30	570	628
	% of HA type	7.0	7.3	7.9	7.1	9.4	9.2
Casual	Count	56	55	66	252	1,300	1,729
	% of HA type	65.1	44.4	40.2	59.6	21.5	25.3
Other	Count	0	0	2	3	14	19
	% of HA type	0.0	0.0	1.2	0.7	0.2	0.3
	Count	86	124	164	423	6,043	6,840
	% of HA type	100.0	100.0	100.0	100.0	100.0	100.0
<i>Population</i>							
Permanent	Count	24,489	59,833	88,210	133,047	4,167,880	4,473,459
	% of HA type	28.4	51.0	53.5	32.3	68.7	65.3
Fixed-term	Count	5,254	8,455	12,822	29,347	563,971	619,849
	% of HA type	6.1	7.2	7.8	7.1	9.3	9.0
Casual	Count	56,634	48,991	62,024	246,633	1,322,525	1,736,807
	% of HA type	65.6	41.8	37.6	59.9	21.8	25.4
Other	Count	0	0	1,829	3,024	14,885	19,738
	% of HA type	0.0	0.0	1.1	0.7	0.2	0.3
	Count	86,377	117,279	164,885	412,051	6,069,261	6,849,853
	% of HA type	100.0	100.0	100.0	100.0	100.0	100.0

Source: HILDA Wave 1 (2001)

Note: Employed persons who report that they do not know the type of current employment contract they have are excluded from the sample.

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