

# Affordable and social housing is critical social infrastructure

## AN AUSTRALIAN EVIDENCE AND LITERATURE REVIEW

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**Affordable and social housing can be a wellbeing, cash and cost-saving infrastructure across:\***

TENANT SUPPORT AND SERVICE INTEGRATION

HOMELESSNESS AND TENURE SECURITY

MENTAL HEALTH AND DV

FINANCIAL STRESS AND HOUSEHOLD SPENDING

OVERCROWDING AND FAMILY FUNCTIONING

EMPLOYMENT AND PRODUCTIVITY\*\*

\*There is an important distinction between estimated benefits and the likelihood (incidence) of affordable and social housing resulting in benefits. A higher likelihood (incidence) results in a greater social return. The report provides details and estimates of both benefits and likelihood. The report focuses on estimates of benefits and incidence, it does not extend to a fuller cost/benefit analysis.



# Estimates of monetary benefits and savings:

HOMELESSNESS WITH WRAP-AROUND, AND HEALTH COST SAVINGS:



**\$8,680**  
PER PERSON  
**46%**

of affordable dwelling funding gap<sup>^</sup>

HOMELESSNESS AND HEALTH COST SAVINGS:



**\$1,530**  
PER PERSON  
**8%**

of affordable dwelling funding gap<sup>^</sup>

DOMESTIC VIOLENCE SPENDING REDUCTION:



**\$2,340**  
PER PERSON  
**12%**

of affordable dwelling gap<sup>^</sup>

NET SPENDING BOOST TO ECONOMY:



**\$786**  
PER PERSON  
**4%**

of affordable dwelling funding gap<sup>^</sup>

OUTPUT GAIN:\*\*



**\$1,227**  
PER PERSON  
**6%**

of affordable dwelling gap<sup>^</sup>

ESTIMATES PRODUCTIVITY FROM HUMAN CAPITAL ACCUMULATION:\*\*



**\$19,865**  
PER PERSON  
**105%**

of affordable dwelling funding gap<sup>^</sup>

\*\* Estimated benefit affordable housing project close to transport and jobs (Maclennan et al 2019).

<sup>^</sup> Funding gap based on positively geared built to rent model with 20% market rent discount in middle rent and land value areas in Sydney and Melbourne

## The report highlights two dimensions of social and affordable housing as essential social infrastructure:

Firstly, social and affordable housing as an independent effect on the wellbeing, productivity and cost-reducing outcomes for individuals and society. Secondly, social and affordable housing as a platform for unlocking additional individual and societal wellbeing, productivity and cost-reducing outcomes for individuals and society. In both cases access and allocation rules will have a significant bearing on the wider social and economic benefits.

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