

The many costs of homelessness

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Helping the homeless is a social imperative that benefits the homeless — and the community as a whole



The last few years have seen an upsurge in street homelessness or “rough sleeping” in Australia’s major cities. The homeless population includes more than just “rough sleepers”, however. It is generally accepted that homelessness exists when a person is experiencing insecure or unsafe accommodation, and ranges from situations of sleeping rough, to staying in guest or boarding houses or “couch surfing” with family

or friends. Accordingly, homelessness encompasses a spectrum of severity that may last only a short time for most individuals, while others may experience many years of deprivation. While calculating the precise number of homeless people is problematic, we know that 255 657 Australians received support from specialist homelessness services during 2014–15, and almost 7 million nights of accommodation were provided.¹

Whether short or long term, homelessness is one of the most severe forms of disadvantage and social exclusion that a person can experience. Homelessness results in significant social and economic costs not just to individuals and their families, but also to communities and the nation as a whole. For individuals and families, homelessness makes it difficult to engage in education and training and can leave people vulnerable to violence, victimisation, long term unemployment and chronic ill-health. Some health problems are a consequence (but can also be a cause) of homelessness, including poor nutrition, poor dental health, substance misuse, and mental health problems.² Australians experiencing homelessness are often excluded from participating in social, recreational, cultural and economic opportunities in their community. At the national level, people who are homeless are less likely to be employed, more likely to interact with the criminal justice system, and impose a disproportionate demand on publicly funded medical facilities.³

The cost of homelessness to homeless persons, our community, and economy is enormous, and increases the longer the individual remains homeless. The annual cost to the community of rough sleeping has been estimated as exceeding \$25 000 per person,⁴ while the cost of youth homelessness in Australia, in terms of additional health and criminal justice costs, has been calculated to be \$626 million per year.⁵

Previous studies have consistently found that homelessness is the result of a number of complex problems, including discrimination, a chronic shortage of affordable and available rental housing, domestic and family violence, intergenerational poverty,



long term unemployment, economic and social exclusion, and severe and persistent mental illness.

Recent studies of adult homeless found that more than 80% of Australian homeless adults reported at least one diagnosed mental health condition.⁴ The prevalence of mental illness, particularly severe and persistent disorders such as bipolar, schizoid type, and personality disorders, is higher in the homeless population than it is in the general Australian population.⁶

Studies of young Australians have similarly found a dramatically higher incidence of mental health conditions, such as mood and anxiety disorders, compared with the general youth population.⁵ Further, rates of non-suicidal self-injury and attempted suicide are much higher among homeless youth than among young people in general.⁶

The article by Nielssen and colleagues in this issue of the *MJA*⁷ adds to a growing body of literature on the pathways into homelessness and possible solutions to this endemic problem. It examines the results of a large scale longitudinal study into the mental health problems of people attending psychiatric clinics at three inner Sydney homeless shelters. Attenders were found to have very high rates of substance use, chronic mental health problems, and early life trauma. In addition, the authors report that the pathway to homelessness are many and varied, and include incarceration, release from psychiatric facilities, loss of public housing tenancy, and loss of housing as the consequence of problem gambling.

One implication of these findings is that homelessness among those with mental illness might be reduced by developing alternative housing models. “Housing first” approaches to ending homelessness, which quickly move people experiencing homelessness into independent and permanent housing while also providing appropriate support, have been shown in Canada, the United States and elsewhere to improve the community functioning and quality of life of those affected, including people with severe mental illness.⁸

In light of the fact that earlier studies have consistently indicated that the savings from reduced public health and criminal justice costs achievable by programs that effectively reduce homelessness can far outweigh their expense,³ one can only ask why we are not doing more to assist homeless people?

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